

# DAILY REPORT

## CONTENTS

### Asia & Pacific

Vol IV No 087

6 May 1985

#### JAPAN

Reaction to Bonn Economic Summit Outcome	C 1
Business Leaders Welcome Accord	C 1
Opposition Reaction Critical	C 1
Nakasone's Special Envoy Leaves on ASEAN Tour	C 2
NTT To Buy U.S. Digital Switching System	C 2
NTT President, PRC's Li Peng Discuss Cooperation	C 3
Salmon Quota Talks Postponed at Soviet Request	C 3
JSP Officials on Planned Ishibashi Moscow Visit	C 3
Kakuei Tanaka Leaves Hospital Temporarily	C 4

#### NORTH KOREA

South's Military Exercises Obstacle to Dialogue	D 1
4 May NODONG SINMUN Commentary	D 1
5 May NODONG SINMUN Commentary	D 2
Radio Commentator's Article	D 4
6 May NODONG SINMUN Article	D 6
Peng Zhen Supports N-S Parliamentary Talks	D 8
TASS Cited on U.S.-South 'Aggressive Confab'	D 8
Soviet Photo Exhibition Opens in Pyongyang	D 8
Reportage on Kim Yong-nam Austria Visit	D 9
Talks With Foreign Minister	D 9
Received by President	D 9
Meets With Prime Minister	D 9

#### SOUTH KOREA

USSR, North Discuss Supplying of MIG-23's	E 1
[TONG-A ILBO 3 May]	
Ministry Hails Economic Summit's Statement on Korea	E 1
[THE KOREA HERALD 5 May]	
Government Begins To Seize 'Subversive' Books	E 2
[THE KOREA TIMES 4 May]	
Students Demonstrate in Memory of Kwangju Incident	E 2
[THE KOREA TIMES 5 May]	
Masterminds of Daewoo Strike Arrested	E 2
[THE KOREA TIMES 5 May]	
Workers at Inchon Plant Begin Partial Strike	E 3
[THE KOREA TIMES 5 May]	
Press on Chon's Meeting With Party Leaders	E 3
NKDP Leader Seeks Exclusive Meeting With Chon	E 5
[SEOUL SINMUN 4 May]	
Yi Min-u Briefs CPD Chairmen on Chongwadae Meeting	E 5
[THE KOREA HERALD 4 May]	
ROK, Japan Begin Offshore Oil Exploration	E 6
Finance Minister Holds Cooperation Talks in Riyadh	E 6
[cross-reference]	

## BURMA

U Ne Win Leaves for PRC at Deng's Invitation	G	1
Reportage on Visit [cross-reference]	G	1
Thousands Attend Anti-Insurgent Rally in Pa-an	G	1

## CAMBODIA

Sihanouk Favors Malaysian Suggestion on Cambodia [AFP]	H	1
--	---	---

## LAOS

Party-State, Defense Delegations Leave for Moscow	I	1
Sali Vongkhamkao Departs for Czechoslovakia	I	1

## THAILAND

'Major Operation' Launched Against SRV Intruders [THE NATION REVIEW 5 May]	J	1
Drive Advances [THE NATION REVIEW 6 May]	J	1
Officer Says Conditions 'Could Lead to Coup' [THE NATION REVIEW 5 May]	J	2
Claim Dismissed [BANGKOK POST 6 May]	J	3
Rebel Camp Seized; Counterattack Repelled [BANGKOK POST 6 May]	J	3

## VIETNAM

27 Apr-3 May SRV-PRC Border Clashes Reported	K	1
AFP Report	K	1
Station Editor on Improving Relations With PRC	K	1
Commentary Raps Trade Embargo on Nicaragua	K	3
Chu Huy Man-Led Group Leaves for USSR Celebration	K	5
Military Delegation Departs	K	5
Lao President Stops in Hanoi on Way to USSR	K	5
Cuban Foreign Minister Concludes Official Visit	K	5
Dong Si Nguyen Receives Intersputnik Official	K	6

## AUSTRALASIA

## AUSTRALIA

Hayden Urges Stronger Ties With New Zealand	M	1
Defense Minister on Value of ANZUS Alliance	M	1

## NEW ZEALAND

Lange Comments on U.S. Sanctions on Nicaragua [AFP]	M	2
Prime Minister Announces Defense Spending Boost	M	2
Confirms U.S., Australia Ties [Melbourne]	M	3

## INDONESIA

Paper Views Post-Bandung Climate in Asia [BERITA BUANA 25 Apr]	N 1
Delegation To Discuss Resumption of Trade With PRC	N 1

## MALAYSIA &amp; SINGAPORE

## MALAYSIA

Commentary on Future of Relations With PRC	O 1
--	-----

## PHILIPPINES

Marcos Abolishes Death Penalty for Subversion	P 1
2-Day Strike Paralyzes Mindanao Island	P 1
Nine Reported Dead [Hong Kong]	P 1
AFP Report	P 1
Strikers Claim Victory [AFP]	P 2
Marcos Notes Media's Role in Maintaining Peace	P 3
Defense Minister on NPA Moves, Use of U.S. Troops [AFP]	P 3
Labor Minister Discusses Foreign Aid to Rebellion [AFP]	P 4
Negros Sugar Planters Convention Warns of Unrest [AFP]	P 5
Government Forces Kill Three in Zamboanga del Sur	P 6
Armed Forces Reform Movement To Meet Marcos [AFP]	P 6
Political Alliance To Continue 'Pressure Politics' [AFP]	P 7
International Reserves Drop 'Sharply' in February [BUSINESS DAY 2 May]	P 8

REACTION TO BONN ECONOMIC SUMMIT OUTCOME

## Business Leaders Welcome Accord

OW041423 Tokyo KYODO in English 1350 GMT 4 May 85

[Text] Tokyo, May 4 KYODO -- Japanese business leaders Saturday welcomed the outcome of the just ended economic summit of seven industrial democracies in Bonn, West Germany. They welcomed the fact that the heads of the non-communist countries reaffirmed their countries' respective roles and responsibility for the development of the world economy.

The leaders showed their determination to avoid trade friction in their talks on a new round of multilateral trade negotiations, said Yoshihiro Inayama, chairman of the Federation of Economic Organizations (Keidanren).

Takashi Ishihara, head of the Japan Committee for Economic Development, said the summit reaffirmed the importance of the fight against trade protectionism. But the business leaders expressed concern about calls among summiteers for further efforts by Japan to open its market to foreign goods.

The businessmen also welcomed the economic declaration at the end of the summit which called for sustained economic growth without inflation and for each country to make efforts to that end.

Regarding a political declaration calling for the strengthening of links between Western countries to maintain world peace, Inayama said close economic relations among the industrialized countries are the key to such political relations.

## Opposition Reaction Critical

OW041419 Tokyo KYODO in English 1343 GMT 4 May 85

[Text] Tokyo, May 4 KYODO -- Japan's opposition parties Saturday attacked the leaders of seven leading industrial nations for achieving nothing concrete in their just-ended summit meeting in Bonn. They also indicated that they plan to grill Prime Minister Yasuhiro Nakasone for what they regard as his positive stance toward the U.S. Strategic Defense Initiative (SDI) proposal.

The only positive reaction came from Nakasone's own ruling Liberal-Democratic Party (LDP), which was relieved at the absence of acrimonious debate over trade friction in the free world. There had been concern within the party that Japan, with its massive trade surplus, would become the target of attack in the three-day summit meeting.

"The fact that there was no major debate over trade friction indicates that Japan's sincerity (in promoting more imports) has been recognized," Michio Watanabe, deputy LDP secretary general, said in a statement. He said the party was determined to follow up the market-opening measures the government announced last month.

The opposition parties, however, were mostly negative about the outcome of the summit. In a statement released shortly after the conclusion of the summit meeting, the top opposition group, the Japan Socialist Party, noted that the summit had failed to grapple with the problems of trade friction, recession and unemployment.

Apart from a show of unity, the summit had little to show in terms of actual policy, a Komeito spokesman said. Both the Socialist Party and the centrist Komeito were critical of Nakasone's stand over President Ronald Reagan's space-based anti-missile SDI research project. Instead of putting forward specific commitments to arms control and world peace, the socialists charged, the summit meeting had extended the arms race to outer space.



Komeito accused Nakasone of showing active support for the SDI program, saying his summit stand went beyond Japan's policy.

The Democratic Socialist Party, however, in an apparent break of opposition ranks, was less critical of Nakasone's SDI stand. An SDP statement voiced caution that more efforts should be made to find out whether the SDI would really be effective in making nuclear weapons obsolete, as claimed by its proponents.

The Japan Communist Party came out with a sharp attack on Nakasone's SDI position, saying that it "once again demonstrated his love for nuclear (weapons.)"

#### NAKASONE'S SPECIAL ENVOY LEAVES ON ASEAN TOUR

OW040115 Tokyo KYODO in English 0105 GMT 4 May 85

[Text] Tokyo, May 4 KYODO -- Masayuko Fujio, one of the top policy-makers of the ruling Liberal-Democratic Party (LDP), left for Indonesia Saturday to begin a four-nation tour of Southeast Asia. Fujio, chairman of the LDP Policy Affairs Research Council, will also go to Malaysia, Thailand and the Philippines as a special envoy of Prime Minister Yasuhiro Nakasone.

Government officials said Fujio is to discuss ways to strengthen ties between Japan and the Association of Southeast Asian Nations (ASEAN) with leaders of these countries. ASEAN includes the four countries plus Singapore and Brunei. Sources said, however, his primary mission is to pacify the ASEAN members irritated by Japanese trade policies.

The ASEAN countries have voiced dissatisfaction with Tokyo's recent market-opening measures, saying the steps are chiefly meant to increase imports of products from the United States and West European countries, and are of less benefit to ASEAN.

Fujio is expected to explain Tokyo's "positive stance" toward ASEAN's request for lower tariffs on ASEAN produce.

The products which have become symbolic of trade friction are boneless chicken from Thailand, plywood from Indonesia, palm oil from Malaysia and bananas from the Philippines.

Fujio, accompanied by officials of economic ministries and agencies, is to meet President Suharto in Jakarta, Prime Minister Mahathir Bin Mohamed in Kuala Lumpur, Prime Minister Prem Tinsulanon in Bangkok and President Ferdinand Marcos in Manila. Fujio will also discuss technological transfer and student and other exchanges.

#### NTT TO BUY U.S. DIGITAL SWITCHING SYSTEM

OW040515 Tokyo KYODO in English 0413 GMT 4 May 85

[Text] Tokyo, May 4 KYODO -- The Nippon Telegraph and Telephone Corp. (NTT) will shortly award Northern Telecom Inc. of Nashville a contract to supply "transportable digital switching systems for emergency uses," NTT said Saturday. The systems to be purchased are based on Northern Telecom's DMS-10 digital central office switching systems, said an NTT official.

The official said Northern Telecom applied in 1982 to participate in NTT's research and development project for transportable digital switching systems for emergency uses and was chosen as an R and D partner. He said NTT had finished technical and economic evaluation of Northern Telecom's portable switching system, and was going to clinch a supply deal with Northern Telecom.

The official added that Northern Telecom had made a further application in 1983 for participation in NTT's R and D program for DMS-19 switching systems. NTT again agreed to pool R and D resources, and is now starting technical and economic evaluation of the systems.

If and when the evaluation produces satisfactory results, a long-term DMS-10 system purchase deal will be agreed with Northern Telecom, according to the official. Northern Telecom, America's no. 2 manufacturer of telecommunications equipment, is a subsidiary of Canada's Northern Telecom Ltd.

#### NTT PRESIDENT, PRC'S LI PENG DISCUSS COOPERATION

OWO41920 Tokyo KYODO in English 1645 GMT 4 May 85

[Text] Beijing, May 4 KYODO -- Japan's Nippon Telegraph and Telephone Corp. (NTT) and China have agreed to further promote technological cooperation on telecommunication systems, NTT President Hisashi Shinto said here Saturday.

In a meeting with Vice Premier Li Peng, Shinto said technological aid to foreign countries has become easier since NTT was reorganized as a private enterprise April 1. China will send Zhao Dongwan, vice minister of the State Planning Commission, to Japan in mid-May to discuss details of the technological cooperation, Shinto said.

Zhao Dongwan is believed to head a project team on the establishment of China's telecommunications system.

Shinto later met Yang Taifang, minister of posts and telecommunications, and agreed to draw up a consultancy contract for the installation of optical fiber cables linking Datong, Beijing and Qinhuangdao.

#### SALMON QUOTA TALKS POSTPONED AT SOVIET REQUEST

OWO41642 Tokyo KYODO in English 1626 GMT 4 May 85

[Text] Tokyo, May 4 KYODO -- Japan Saturday accepted a Soviet request to postpone the sending of its fishery delegation to Moscow for talks on 1985 salmon quotas, Japanese officials said. The delegation, led by Fishery Agency Director General Hiroya Sano, was to leave for Moscow Sunday. Agency officials said the Soviet Embassy explained that the Soviet Government is not yet fully prepared for the fishery negotiations with Japan.

The two countries initialed a fishery cooperation accord April 29 but the Soviet Union has said talks to fix the 1985 salmon catch quota should begin after the Japanese and Soviet parliaments ratify the accord. Japan's Fishery Agency, however, decided to send the delegation in the hope of enabling Japanese fishermen to start operations as soon as possible. Japanese fishermen usually start salmon fishing operations in the open seas in the northwestern Pacific in early May.

The Soviet Union Friday issued entry visas for the Japanese delegation.

#### JSP OFFICIALS ON PLANNED ISHIBASHI MOSCOW VISIT

OWO21105 Tokyo KYODO in English 1029 GMT 2 May 85

[Text] Tokyo, May 2 KYODO -- Masashi Ishibashi, chairman of the Japan Socialist Party (JSP), may visit Moscow in September instead of July as earlier reported, party sources said Thursday.

Ishibashi, who has been invited by the Soviet Communist Party, and his aides are studying the best timing for the visit with a hope that it will produce substantial results. The plan to delay the visit to September comes from his hope to talk with Soviet party chief Mikhail Gorbachev just before Gorbachev's departure for the U.N. General Assembly meeting, especially because of a growing possibility of a summit meeting between Gorbachev and U.S. President Ronald Reagan during Gorbachev's U.S. tour.

Ishibashi, leader of Japan's largest opposition party, received the Soviet invitation in March from the new Soviet Ambassador to Japan Petr A. Abrasimov. The invitation reportedly indicated the Soviets highly rated JSP's policy calling for unarmed neutrality and antiwar activities. This led Ishibashi and his aides to believe that Gorbachev is ready to personally meet the JSP leader during his Moscow stay. Since he was elected JSP chairman in September 1983, Ishibashi has visited China, the United States and North Korea in that order in what he called an active diplomacy by an opposition party.

He visited Moscow twice, to attend funerals for Soviet leaders Yuriy Andropov in February 1984 and Konstantin Chernenko in March this year. On both occasions, Ishibashi did not have an opportunity to hold substantial discussions with Soviet leaders. Ishibashi is trying to project a new image of JSP by calling for a more pragmatic approach than that taken by his predecessors.

Ishibashi's visit to North Korea and talks with President Kim Il-song in September 1984 resulted in the conclusion of a private-level fishery pact between Japan and North Korea. The two countries do not have diplomatic relations.

In studying his Moscow visit, Ishibashi and his aides apparently have in mind the Soviet tour by Kenji Miyamoto, Central Committee chairman of the Japan Communist Party, last December. Miyamoto had a lengthy discussion with then party leader Chernenko, followed by the issuance of a joint communique by the Soviet and Japanese Communist Parties.

#### KAKUEI TANAKA LEAVES HOSPITAL TEMPORARILY

OW050741 Tokyo KYODO in English 0516 GMT 5 May 85

[Excerpt] Tokyo, May 5 KYODO -- Japan's most powerful politician, former Prime Minister Kakuei Tanaka, left hospital and spent five nights at his home from April 28, doctors said Sunday. Tanaka, who turned 67 on Saturday, returned to Tokyo Teishin Hospital on Friday night, the doctors said.

Often referred to as the kingmaker of Japanese politics, Tanaka entered hospital after having a stroke on February 27. Doctors later said Tanaka had suffered a cerebral infarction, a loss of blood supply to the brain, and would require two to three months to recover. The news of Tanaka's home visit may help dispell speculation that he will be absent from politics for a longer period than originally estimated, political pundits believe.

Tanaka's secretary, Shigezo Hayasaka, told newsmen the hospital granted Tanaka's strong wish for a temporary visit to his home during the holiday period between late April and early May. Hayasaka said the visit was allowed because the former prime minister is making such a rapid recovery.

In Paris, Finance Minister Noboru Takeshita, a member of the Tanaka faction within the ruling Liberal-Democratic Party (LDP), said he had not known Tanaka had been allowed out of hospital, but it was good news. Takeshita, who recruited over 40 or more followers of Tanaka to form a new political group in February, is reportedly ready to form an independent faction of his own.



SOUTH'S MILITARY EXERCISES OBSTACLE TO DIALOGUE

4 May NODONG SINMUN Commentary

SK040522 Pyongyang Domestic Service in Korean 2150 GMT 3 May 85

[NODONG SINMUN 4 May commentary: "Strange Acts That Are Hard To Understand"]

[Text] The new peace proposal advanced by the SPA of our country for the purpose of holding North-South parliamentary talks and announcing a joint declaration of non-aggression is now eliciting active support and welcome from all Korean people at home and abroad and the people of the world.

Our people and the broad world opinion are watching to see how the South Korean side reacts to our realistic and reasonable peace proposal. What is more, they are hoping that the North-South economic talks and Red Cross talks scheduled for this month will be conducted successfully and come to good fruition. However, an ominous situation against such an expectation is now developing in South Korea.

On 30 April, a man holding the post of South Korea's acting prime minister, talking about the restoration of confidence between the North and the South in a press conference, babbled that South Korea will approach the North-South dialogue with patience and sincerity. On the following day, a man called South Korea's foreign minister said exactly the same thing.

Now, how do they really act while saying such things? On 29 April, under the pretext of heightening the anticommunist vigilance on the part of the Army, government offices, and civilians, they staged an exhibition exercise of coastal defenses by mobilizing naval and marine units. Also, from that day until 3 May, they staged the "Ttangkbol [Ground-Wasp] 85" exercise with the aim of making a wholesale arrests of persons in the city of Taegu and in the areas around North Kyongsang Province by mobilizing the Army, police, the Homeland Reserve Force, and the Civil Defense Force and even residents of these areas, totaling some 800,000. At around this time, they kicked off a war exercise racket called "Chungnam Ttangkbol-85" in all areas of South Chungchong Province.

In the meantime, they are spreading fabricated data claiming that we have strengthened the capabilities of waging chemical attack, that we have built subterranean passages in the areas along the Demarcation Line, and that we have decided to ship in new military equipment.

These are what the persons in authority in South Korea are actually doing while saying that they hope for the restoration of confidence and successful dialogue and a sincere attitude toward dialogue. Paying lip service to rapprochement and dialogue, they are in reality challenging our peace proposals and efforts for peace with powder-reeking war commotions, and are laying artificial obstacles to dialogue through provocative confrontation commotions against us.

Such movements by them, which demonstrate that what they say is one thing that what they actually do is another, naturally make people suspicious of their standpoint and sincerity regarding dialogue. What is more noteworthy is that -- while provoking us, the other party to dialogue, through their continuous war commotions -- they are clamoring that the greatest accomplishment achieved by the dictator through his junket to the United States was his master's reaffirmation of U.S. commitment to the security of South Korea, and that he had further strengthened the security solidarity with the United States.

The cry for the annihilation of communism by the persons in authority in South Korea through provocations against us, who are calling for the promotion of rapprochement without fighting between the consanguineous people at a time when the North-South talks are approaching, and, moreover, the failure to respond to our serious peace proposal for the relaxation of tension and the preservation of peace nearly a month since its announcement cannot but be interpreted as a deliberate and premeditated act designed to justify the dictator's war junket and traitorous junket, to pour cold water on the atmosphere of dialogue in order to stay in power, and, going one step further, to destroy the atmosphere of dialogue.

In order to make delegates of the North and the South conduct dialogue by visiting one another, it is imperative, above all else, to provide an atmosphere of dialogue. How can the delegates of the North and the South visit each other and discuss and settle the internal matters of the nation without reservation if the South Korean side, while paying lip service to rapprochement and dialogue, does not keep faith with the other party to dialogue, returns evil for good, and follows the path of whipping up antagonism and confrontation in the people by kicking up anticommunist war commotions, making threats, and regarding the other party to dialogue with hostility?

It is therefore natural for public opinion at home and abroad to be extremely concerned about the prospects for the upcoming North-South economic talks and Red Cross talks, questioning whether they would be conducted properly under circumstances in which the South side is whetting its sword, threatening to exterminate the North, and openly staging military commotions by regarding the other party to dialogue with hostility.

It is really regrettable and hard to understand that the South Korean side is committing acts unfavorable to dialogue and to the cause of preserving the peace at a time when the entire Korean people and the broad public opinion at home and abroad, greeting our peace proposal with joy, are hoping for an improvement in relations between the North and the South and for successful progress in dialogue.

If, as it claims, the South Korean side genuinely hopes for the restoration of confidence between the North and the South and for successful dialogue, it should give up, before anything else, the anticommunist confrontation and war commotions being staged by provoking us and approach our peace proposal with sincerity.

The South Korean side should give deep thought to the consequences of its confrontational commotions and war commotions. We will continue to watch the South side's attitude.

#### 5 May NODONG SINMUN Commentary

SK050802 Pyongyang Domestic Service in Korean 2150 GMT 4 May 85

[NODONG SINMUN 5 May commentary: "The Sword Must Be Thrown Away for Dialogue"]

[Text] Clamoring that our proposal for North-South parliamentary talks is a disguised peace offensive aimed at creating internal chaos in South Korea, the persons in authority in South Korea are continuously kicking up anticommunist commotions.

The goal of our proposal is to promote rapprochement between the North and the South and to probe a way to relax tension.

The state of confrontation within the nation generated by the continued partition of the national territory is the practical cause of the strained tension in our country.



Continued division only serves to increase the distrust and misunderstanding between the North and the South.

If the accumulation of distrust and misunderstanding is allowed to continue, tension will be aggravated and the situation will eventually reach a point where armed clash is unavoidable. Our people in the North and the South, a homogeneous people who have lived together in a single land for a long time sharing weal and woe have no reason today to fight each other with guns.

Up to now, we have put forth a series of practical proposals to relax the tense situation in the country and to preserve and consolidate the peace, and have made efforts to implement them. Among them is a series of proposals we have put forth with a view to eliminating the state of military confrontation between the North and the South, to putting an end to the expansion of armaments in the North and the South, and to reducing the armed forces on both sides and the proposal to hold tripartite talks among us, the United States, and South Korea to sign a Korea-U.S. [Chomi] peace agreement and to adopt a declaration of nonaggression between the North and the South.

Our proposal to hold parliamentary talks between the North and the South has also been advanced, reflecting the urgent demand for peace. Our proposal has broadly taken into consideration the calls from the South side.

To date, the South side has repeatedly expressed its concern about peace and security on the Korean peninsula, its willingness to make the most of any kind of dialogue between the North and the South, and to engage in dialogue, regardless of the form and level at which it is held.

We took this into consideration before putting forth the proposal for parliamentary talks, making it clear that we are willing to discuss with the South side any issues it may raise without reservation as long as they are designed to contribute to promoting national rapprochement and trust and relaxing tension.

Ours is the fairest and the most realistic proposal and the South side has no reason whatsoever to spurn it. Nevertheless, those in the South are acting quite differently from what they have been saying. Even after saying that they hope for peace and will not distinguish one form of dialogue from another, when we offered a proposal for parliamentary talks in order to relax tension, those in the South maliciously slandered it with all their might, raising utterly preposterous objections such as calling it political propaganda and a disguised peace offensive.

It is unreasonable to say such things without even sitting face to face with us and discussing such issues with us. The South Korean side's slandering of us means simply that the claims by those in the South of a desire for dialogue with us are nothing but lies and that they have no intention of improving relations between the North and the South.

Up to now, nearly a month after our peace proposal was made public, those in the South have not yet responded to it, thinking only of fighting us.

Following the delivery to the South Korean side of our letter proposing parliamentary talks, those in the South began to stage such large-scale exercise commotion against us as "Myolgong-85," "Pakchwi-85," and "Ttangbol [Ground-Wasp]-85" staging them in succession, across South Korea, including Kyonggi Province, Incheon, Kangwon Province, Pusan, South Kyongsang Province, North Kyongsang Province, Taegu, and South Chungchong Province.

Staged in a pattern of waves in different places and at different times and timed to coincide with the publication of our peace proposal, the war exercise commotions by the South Korean side which had earlier halted the Red Cross talks, resumed for the first time in 12 years, and the economic talks, the first such talks ever held in 40 years, by staging the "Team Spirit-85" joint military exercise in early February, can only be interpreted as an open challenge to the other party to dialogue which has called for peaceful coexistence between the North and the South with the absence of fighting.

While paying lip service to a hope for dialogue for the purpose of improving relations, they are in fact aggravating the tension by staging war commotions, saying that they will exterminate the other party. What name can we give to their two-faced deeds?

Their anticommunist confrontational commotions, which are becoming more severe every day, are deliberate schemes aimed not only at thwarting the realization of our proposal for parliamentary talks, but also at laying obstacles to the economic talks and Red Cross talks which are scheduled for this month. Under such circumstances, it is quite questionable whether the economic talks and the Red Cross talks will be conducted properly.

It is impossible to have dialogue with those who have a sword up their sleeves, nor is it possible to expect talks to be successful even if conducted.

In order to have dialogue based on faith, the sword hidden in the sleeve must be thrown away. The South Korean side should immediately abandon the anticommunist confrontational commotions kicked up against us.

The double-faced artifice of advocating dialogue and improved relations on the one hand and of continuing to commit hostile acts against the other party to dialogue can never be accepted. If they calculate that they can justify their wrong attitude of refusing dialogue with sweet words, they are making a miscalculation.

Our peace proposal enjoys support from fair public opinion at home and abroad and the world is watching the South side to see how it reacts to it. If the South Korean side believes that it can make itself appear to be an advocate of dialogue and a lover of peace as it now does while clinging continuously to its old-fashioned fuddy-duddy tricks, it will be held up to ridicule by the world.

#### Radio Commentator's Article

SK041250 Pyongyang Domestic Service in Korean 1248 GMT 3 May 85

[Station commentator Cho Tong-ik's article: "The Act of Making the Prospect for Dialogue Dim"]

[Text] Today, all fellow countrymen are longing for the opening of a new phase in this significant year -- the 40th anniversary of liberation on 15 August -- on the road of achieving peace and the peaceful reunification of the country.

Reflecting such an urgent desire of the people, we advanced a new epochal peace proposal on 9 April to issue a joint declaration of nonaggression by holding parliamentary talks between the North and the South. Our peace proposal proceeded from an impartial and sincere stand to achieve national reconciliation and trust and to alleviate tension by having Koreans open up the maximum possibility that something could lead to peace.

There is no other aim than this. Because of this, the fair public opinion of the world as well as that of all fellow Korean countrymen at home and abroad are urging the South Korean side to give an affirmative reply while heartily supporting and approving our peace proposal. Nevertheless, very unusual acts have continuously been committed in South Korea, running counter to such an expectation and demand.

Without a careful review and study of our proposal, the South Korean side has groundlessly slandered it, describing it as a disguised peace offensive and as an artifice for the disunion of a national view by mobilizing government-patronized propaganda means. Contributing to raising such a fuss without reservations is such an official figure as the South Korea ambassador to the United States.

When we review such a behavior by the South Korean side, we can only believe that the South Korean side is still caught in the thought pattern of groundlessly opposing anything set forth by the North. If not, why does it first want to doubt and slander the proposal that the people of the world regard as good without an argument with a just and logical basis? It should understand that its childish and foolish act will only reveal its crooked and hidden intention to the people of the world.

Naturally, we are compelled to pay attention to the fact that the South Korean side has heightened tension in the country by systematically kicking up war exercise rackets against us when North-South economic and Red Cross talks are scheduled for the near future. By changing places, it has successively staged very provocative military exercises called "Myolgong," "Bat," and "Ttangbol." Having staged these war exercises in Kyonggi Province; Inchon; Kangwon Province, South Korea; Pusan; South Kyongsang and South Chungchong Provinces by mobilizing puppet army and police forces, the Homeland Defense Reserve Forces, and even residents, it kicked up a war racket called "Ttangbol-85" in Taegu and North Kyongsang Province by 3 May.

It has fanned war zeal by clamorously babbling about the threat of southward invasion whenever it has opened its mouth. While meeting with the representatives of three parties on 2 May, the South Korean dictator repeatedly uttered hackneyed gibberish, saying that the North moved forward a large number of combat troops to the area near the truce line. Thus, he called for accelerating war preparations. Indeed, this is a very outrageous act running counter to common sense and reasons and is a brazen challenge to our sincere effort for peace.

At a time when we have advanced a new proposal to live peacefully without fighting against the people, those concerned groundlessly picked a quarrel with us and slandered us with only the intention of quarreling instead of providing an affirmative reply to this proposal. They have frantically and repeatedly staged war exercises under the signboard of annihilating the other side to dialogue. How can we understand their act? We cannot interpret this act other than as provocative maneuvers carried out with the aim of negating dialogue, the aim of laying an artificial obstacle before dialogue by deliberately heightening tension.

It is a matter of common sense that, in order to hold dialogue, we should neither fan the sentiment of confrontation nor heighten tension. This is a clear lesson of the experience of the dialogue which was held previously between the North and the South.

By announcing and implementing in force the plan to conduct the joint "Team Spirit-85" military exercise after all with the United States in the early part of this year, the South Korean side suspended the North-South dialogue which was scheduled to be held shortly. We can say that the prospect for dialogue is very worrisome at a time when they are zealously kicking up provocative rackets against us with the economic and Red Cross talks at hand, scheduled to be held in the middle of May and at the end of May, respectively.



While clamorously babbling about dialogue and about the alleviation of tension in words alone, the South Korean side has behaved quite differently. If the South Korean side truly wants to hold dialogue and to alleviate tension, it should stop rude provocations irritating the other side to dialogue and casting a dark shadow over dialogue, and should sincerely accept our new peace proposal. It is time for the South Korean side to abandon its unchanged old attitude of confrontation and war. We will watch the future attitude of the South Korean side with patience.

6 May NODONG SINMUN Article

SK060330 Pyongyang Domestic Service in Korean 2220 GMT 5 May 85

[NODONG SINMUN 6 May article: "A Peace Proposal Reflecting the National Aspirations"]

[Text] The new peace proposal advanced by the fourth session of the Seventh SPA of our country for the purpose of holding North-South parliamentary talks and announcing a joint declaration of nonaggression is an important measure and a significant turning point on the path to peace on and peaceful reunification of the Korean peninsula.

The SPA's proposal is a patriotic one reflecting the hope and aspirations of our nation for bright new prospects for peace in and peaceful reunification of our country and a peace-loving proposal reflecting the demands of the times for the preservation and consolidation of peace in Korea and Asia within this year, which marks the 40th anniversary of national liberation. For this very reason, it is now eliciting great sympathy and reaction from all the Korean people at home and abroad and from broad strata among the political and social circles of the world.

In retrospect, our nation has suffered from the partition of the national territory and national division for 40 years. Because of the outside forces' policy of splitting the nation, an abnormal situation in which a consanguineous people have stood face to face in confrontation and showed hostility and antagonism toward each other has continued for the past 40 years and never once has the situation in the country been peaceful. The only thing that has been rising high with each passing day is the wall of division, and the only thing that has been piling upon this pain caused by the division is the danger of war.

Promoting national rapprochement and trust in our country and ensuring peace has been the unanimous aspiration of our people from the day the nation was divided. Our party and the government of the Republic, which have made every possible effort to improve North-South relations and to open a peaceful phase in the settlement of the issue of national reunification, proposed to South Korea and the United States early last year tripartite talks as a drastic measure to fundamentally eradicate the danger of war and to ensure lasting peace in our country.

However, with the other party not responding to our just proposal for tripartite talks, the proposal has not borne the fruit it deserves, even after the lapse of 1 year since its publication, and the situation is edging toward aggravation.

What is more, because of the "Team Spirit-85" joint military exercise, the Red Cross talks, resumed for the first time in 12 years, and the North-South economic talks, arranged for the first time in 40 years, which were both made possible thanks to our relief measure last autumn for the South Korean flood victims, came to a halt and even the atmosphere of relaxation that had once been created was again dimmed.

Thus, under circumstances of continuing confrontation and tension, the North and the South will never be able to reconcile with each other, to live peacefully, or to even take a step forward on the path toward national peace.

The great leader Comrade Kim Il-sung has taught: In order to improve relations between the North and the South of Korea and to promote a peaceful reunification of the country, the state of military confrontation between the North and the South must be dissolved, before anything else, and the tension must also be relaxed.

The situation prevailing in our country today urgently demands that the North and the South advance more energetically than at any previous time to overcome the difficulties facing the country with united strength, to turn the strained situation in the direction of relaxation, and to provide an environment favorable to peaceful reunification of the country through dialogue.

Opening a new phase for peace and peaceful reunification by putting an end to the history of confrontation and antagonism and creating an atmosphere of reconciliation and trust is the unanimous aspiration and solemn demand of the nation.

The proposal of our country's SPA aimed at holding North-South parliamentary talks and announcing a joint declaration of nonaggression is a just proposal as it reflected such aspirations of the nation. Blazing a true path of survival for the nation, which finds itself on the threshold of life and death, and implanting in the hearts of all the people in the country a hope for peace and reunification in response to such ardent aspirations of the nation is an important mission facing all the politicians in the North and the South.

The best thing they can do to this end is to adopt a declaration of nonaggression between the North and the South.

If and when the North-South parliamentary talks announce a joint declaration on nonaggression, the authorities in the North and the South will be able to settle the issue of adopting a declaration of nonaggression with ease by embodying the joint declaration.

If and when the North-South parliamentary talks are realized and a declaration of nonaggression is adopted, it will greatly contribute to preventing a possible armed clash between the North and the South, to ensuring peace, and to paving the way toward the peaceful reunification of the country.

The proposal for the holding of North-South parliamentary talks is a peace proposal that is also in complete accord with the hope and aspirations of the peace-loving people of the world. Peace in Korea is directly linked to peace in Asia and the world, and eradicating the danger of war and consolidating peace on the Korean peninsula is also the work of defending peace in Asia and the world.

If and when the issues of easing tension and ensuring peace are resolved at the North-South parliamentary talks, it will contribute to preserving and consolidating peace in Korea and, going one step further, to preserving peace in Asia and the world. This shows that our peace proposal is the fairest and most just proposal that reflects not only the unanimous aspirations of the entire nation, but also the urgent demands of the times.

Indeed, North-South parliamentary talks are the best way to ease the tension within the nation in light of the fact that the tripartite talks have not been realized.



Any politician who genuinely values the fate of the nation and people and who hopes for the relaxation of tension and for peace has no reason whatsoever to refuse to accept our unselfish and fair peace proposal. The conscientious politicians in the North and the South should willingly come out onto the patriotic path for national rapprochement, trust, and history and by extricating themselves from the consciousness of antagonism and distrust.

Thus, they should decorate this year, which marks the 40th anniversary of national liberation, as the proudest year in the annals of our nation by paving the wonderful way for national rapprochement, trust, and the relaxation of tension and by ushering in the joy of peace and dawn of reunification.

#### PENG ZHEN SUPPORTS N-S PARLIAMENTARY TALKS

SK060058 Pyongyang KCNA in English 2359 GMT 5 May 85

[Text] Pyongyang May 6 (KCNA) -- Peng Zhen, chairman of the Standing Committee of the National People's Congress of the People's Republic of China, at a press conference in Tokyo during his visit to Japan, said that what was important in the problem of the Korean peninsula was to achieve an independent and peaceful reunification. A series of assertions and propositions advanced by President Kim Il-song for an independent and peaceful reunification are acceptable and fair ones, he noted, and stated:

I hope that the Chinese and Japanese officials and peoples will make joint efforts to promote the peaceful reunification of the Korean peninsula.

#### TASS CITED ON U.S.-SOUTH 'AGGRESSIVE CONFAB'

SK031023 Pyongyang KCNA in English 1010 GMT 3 May 85

[Text] Pyongyang May 3 (KCNA) -- TASS April 30 exposed the aggressive confab between the boss of U.S. imperialism and the traitor Chon Tu-hwan.

Noting that "expansion of relations in the military fields was the major object of concern" at the "talks" between Reagan and the traitor and "an agreement was reached on expanding consultations for security matters," it said his trip to the United States this time meant "another step forward in tightening the tieup for aggression" between the United States and the South Korean dictatorial "regime." The United States supported repression by the South Korean dictatorial "regime," TASS said.

#### SOVIET PHOTO EXHIBITION OPENS IN PYONGYANG

SK030410 Pyongyang KCNA in English 0337 GMT 3 May 85

[Text] Pyongyang May 3 (KCNA) -- A photo exhibition opened under the sponsorship of the Central Committee of the Korean-Soviet Friendship Society on the occasion of the 40th anniversary of the Soviet people's victory in the Great Patriotic War. Its opening ceremony took place at the Chollima House of Culture on May 2.

The ceremony was attended by Kim Yong-chae, minister of post and tele-communications and chairman of the Central Committee of the Korean-Soviet Friendship Society, O Mun-han, vice-chairman of the Committee for Cultural Relations With Foreign Countries, and O Kil-pang, vice-chairman of the Central Committee of the society, and working people in the city.

Invited there were Soviet Ambassador N. Shubnikov and officials of his embassy, and the cultural officials of different embassies in Pyongyang. Speeches were exchanged there. The attendants saw photographs showing the heroic struggle of the Soviet people and army men in the patriotic war. Then they appreciated a Soviet feature film.

#### REPORTAGE ON KIM YONG-NAM AUSTRIA VISIT

##### Talks With Foreign Minister

SK040431 Pyongyang KCNA in English 0342 GMT 4 May 85

[Text] Pyongyang May 4 (KCNA) -- Talks took place in Vienna on May 2 between Comrade Kim Yong-nam, member of the Political Bureau of the Central Committee of the Workers' Party of Korea, vice-premier of the Administration Council and foreign minister of the Democratic People's Republic of Korea, and Leopold Gratz, federal minister of foreign affairs of the Republic of Austria.

Present there on our side were the foreign minister's party and the Korean ambassador to Austria and on the opposite side were the deputy secretary general and director for the Political Department of the Federal Ministry of Foreign Affairs and officials concerned. At the talks the two sides exchanged views on developing the friendly and cooperative relations between the two countries and a series of international issues of mutual concern. The talks proceeded in a friendly atmosphere.

##### Received by President

SK050908 Pyongyang KCNA in English 0847 GMT 5 May 85

[Text] Pyongyang May 5 (KCNA) -- Rudolf Kirchschlaeger, federal president of the Republic of Austria, on May 2 met Comrade Kim Yong-nam, member of the Political Bureau of the Central Committee of the Workers' Party of Korea, vice-premier of the Administration Council and foreign minister of the DPRK. The foreign minister conveyed cordial regards of President Kim Il-song to the Austrian president. The Austrian president expressed deep thanks for this and asked the foreign minister to transmit his heartfelt greetings to most respected his excellency President Kim Il-song. Referring to the friendly and cooperative relations between Austria and Korea, he expressed support to the Korean people's struggle for a peaceful reunification of the country. The conversation took place in a friendly atmosphere.

##### Meets With Prime Minister

SK050911 Pyongyang KCNA in English 0850 GMT 5 May 85

[Text] Pyongyang May 5 (KCNA) -- Fred Sinowatz, federal prime minister of the Republic of Austria, on May 3 met Comrade Kim Yong-nam, member of the Political Bureau of the Central Committee of the Workers' Party of Korea, vice-premier of the Administration Council and foreign minister of the DPRK.

The foreign minister conveyed to him cordial regards of President Kim Il-song and Comrade Kim Chong-il. The prime minister expressed deep thanks for this and asked the foreign minister to convey his warm greetings to them. Noting with satisfaction the very favourable development of the friendly and cooperative relations between Austria and Korea, he expressed the belief that these relations would grow stronger and develop in the future. The talk took place in a friendly atmosphere.

USSR, NORTH DISCUSS SUPPLYING OF MIG-23'S

SK040428 Seoul TONG-A ILBO in Korean 3 May 85 p 1

[Report by correspondent Pak Chang-nae in London]

[Text] The British International Institute for Strategic Studies reported on 2 May that the Soviet Union and North Korea discussed the supply of the MIG-23, which is far superior to the MIG-21, and T-72 tanks. "The Review of World Strategy for 1984 and 1985" published by this institute the same day, said that it is learned that the supply of these modern weapons was discussed last November during the unusually long 15-day visit to Pyongyang by a delegation led by Mikhail Kapitsa, Soviet deputy foreign minister, made in return for the visit paid by Kim Il-song after a 23-year interval. The book then said that the event is unusual for the Soviet Union, which has banned foreign sales of the MIG-23. The book added that, although it is not clear what the price of this bargain will be, North Korea's action allowing the Soviet Union to conduct a missile test in North Korean territory last September could be a gesture to ensure supply of modern weapons.

The book said that the fact that relations between the Soviet Union and North Korea had progressed another step does not signal the deterioration of relations between Red China and North Korea. The book then said that it does not appear that Kim Il-song believes that it will benefit him to move closer to the Soviet Union at the cost of estrangement from Red China, which has aided North Korea more than the Soviet Union.

Referring to South Korea, the book said that South Korea plans to purchase \$8 billion in military hardware from the United States from 1985 to 1989 to modernize the Army. The book then noted that U.S. forces in South Korea will increase this year by 2,000 to 2,500 men. Referring to relations between South Korea and Red China, the book said that last year the Beijing authorities granted entry into Red China to those South Koreans with relatives in the country and that multilateral exchanges, including sports exchanges, have taken place between South Korea and Red China. The book added that these relations have served to check North Korea's adventurism.

MINISTRY HAILS ECONOMIC SUMMIT'S STATEMENT ON KOREA

SK060303 Seoul THE KOREA HERALD in English 5 May 85 p 1

[Text] The Ministry of Foreign Affairs yesterday hailed as "unprecedented and significant" the inclusion of the Korean question in a declaration issued at the summit of seven Western nations. The inclusion means that the Western nations are united in rendering indirect support to the Seoul government's efforts to settle peace on the Korean peninsula with inter-Korea economic and Red Cross talks approaching, a ministry official said.

Interpreting it as the fruition of President Chon Tu-hwan's visits to the United States last month and to Japan last September, the official said Japan played a major role in having the Korean question included in the declaration. He said the United States also played an indirect role. "This shows that the United States and Japan are cooperating positively toward reducing tension on the Korean peninsula and helping resume the suspended inter-Korea talks," he said.

Meanwhile, the declaration issued on the second day of the three-day summit Friday said the seven leaders pledged support for the reunification of both Germany and Korea. "And in Asia we earnestly hope that a political environment will be created which permits the parties to overcome the division of the Korean peninsula in freedom," the declaration read.



GOVERNMENT BEGINS TO SEIZE 'SUBVERSIVE' BOOKS

SK040207 Seoul THE KOREA TIMES in English 4 May 85 p 8

[Text] The police, in cooperation with the Culture-Information Ministry, have started the work of seizing "subversive" books on leftist ideology.

The search is directed mostly at bookstores near campuses including Seoul National University and printing shops. Most of the confiscated books are related to communism, labor movement, and political oppression and the Bolshevik revolution in Russia. Books related to rapacious business activities are also among the books seized by six special investigation teams now fanning out through the bookstores and printing shops.

The owners of two copying shops were sent to summary courts after investigation revealed their copying "subversive" literature and an owner of another bookstore is now being questioned. The confiscation of the controversial books was carried out on a search and seizure warrant, which was duly issued.

In a request for the issuance of the warrant, police argued that those books sympathize with the leftist ideas with the aim helping anti-state organizations including north Korea. The books also help boost what police authorities argued are dangerously violent leftist revolutionary ideas among the students, according to the request for the warrant.

It was learned that the Culture-Information Ministry is to reveal the government position on the handling of the "subversive" books on leftist ideology today.

STUDENTS DEMONSTRATE IN MEMORY OF KWANGJU INCIDENT

SK050057 Seoul THE KOREA TIMES in English 5 May 85 p 8

[Text] Thousands of university students held demonstrations on their campuses in the daytime and evening of Friday in connection with so-called Kwangju incident.

Over 1,000 Yonsei University students staged a campus rally in front of the library from 1:30 p.m. after inaugurating a fact-finding committee on the Kwangju incident. Some 500 students of Seoul National University also staged an anti-government rally. The students distributed printed leaflets titled "Facing May Again."

More than 400 Songgyungwan University students and 700 Tanguk University students also staged separate demonstrations in their campuses in the evening. About 500 students of Hanguk University of Foreign Studies set up a "special" committee to probe the Kwangju incident Friday afternoon and tried to take to the streets for demonstration.

MASTERMINDS OF DAEWOO STRIKE ARRESTED

SK050048 Seoul THE KOREA TIMES in English 5 May 85 p 8

[Text] The five alleged masterminds of the strike at the Pupyong plant of the Daewoo Motor Co. were arrested Thursday, police said yesterday. They had been sought by police after they fled upon reaching an agreement with the firm on the wage hike for which they had led the violent strike for 10 days.

Their arrest came after they stole into the Pupyong plant for the distribution of leaflets in regards to their struggle during the 10-day sit-in protest which ended on April 25. Police sources said the five including Hong Yong-pyo, a college dropout, were hiding out in a basement of the plant for nine hours after their entry into the plant for the labor movement.

It was learned that they had prepared some 100 printed materials in the apartment of Hong's friend while escaping and infiltrated into the factory to scatter them among workers at 3 a.m. last Thursday. They were caught by the plainclothesmen while hiding in the basement at 12:20 p.m. that day. The arrested are also suspected of having inflicted injury on a factory guard during the violent sit-in on April 23.

The printed materials they were carrying were learned to contain full texts of agreements made by Hong and Daewoo chairman Kim Wu-chung and press reports on the Daewoo incident.

Of 14 alleged masterminds of the Daewoo strike, seven were released after police questioning and two others, Pak Chae-sok, 26, and Kim Nam-hee, 25, are still being sought by the police. Authorities have been asked by the company and some circles of society to refrain from taking legal action, fearing possible backfire.

#### WORKERS AT INCHON PLANT BEGIN PARTIAL STRIKE

SK050055 Seoul THE KOREA TIMES in English 5 May 85 p 8

[Text] Some 660 workers of the Chinro plant in Inchon, Kyonggi-do, a leading liquor maker, went on a partial strike yesterday as management refused their continuous call for a 17.5-percent wage hike. They resolved not to perform any overtime work in a first-phase protest against the company's refusal, union leaders said.

If management keeps to its offer of a 9.5-percent pay raise, the employee will take other measures including a general strike, they warned.

#### PRESS ON CHON'S MEETING WITH PARTY LEADERS

SK031420 [Editorial Report] Seoul vernacular morning papers on 3 May comment extensively on a luncheon meeting between President Chon Tu-hwan and the three major party leaders -- Yi Min-u, president of the New Korea Democratic Party, NKDP; Yi Man-sop, president of the KNP; and No Tae-u, chairman of the ruling DJP -- held on 2 May at Changwadae.

CHOSON ILBO, in an article on page 3 entitled "Creation of an Atmosphere for Finding a Way out of the Deadlocked Political Situation," noting that "it can be said that, as expected and predicted by many, the 4-man meeting succeeded in creating an atmosphere for breaking through the rigidity of the political situation," pays attention to the fact that "the luncheon meeting at Chongwadae was the first such meeting held in the 'new but unstable political order' since the 12 February general election." Regarding the "two sides -- the ruling and opposition parties -- as having touched, in a candid and modest manner, on what should be referred to, even though sufficient time was not given to the discussion of domestic political issues of concern," CHOSON ILBO, in the same article says that "it has been pointed out that President Chon expresses, with a quite candid attitude, his stand toward such questions as the question of the opening of the house, the question regarding the Constitution, and the question concerning the stability of the political situation, and President Yi Min-u also tried to discuss, with modest expressions, whatever should be talked about."



Noting the "sharing of acknowledgement on the principle of the early opening of the National Assembly," the paper goes on to say that 'the confirmation of the principle of the early opening of the house on that day does not imply just a simple "reaffirmation," because remarks which make it possible to predict the early settlement of the issue regarding the opening of the National Assembly were exchanged.' Pointing out the difference in views regarding the rewriting of the Constitution for a direct presidential election and on the presentation of a schedule for democratization between President Chon, who said that "I will remain in office not a single day more or less than the 7-year term," and NKDP President Yi, who said that "Do you have any intention to become a better president?", the paper says that "despite the exposure of such differences in views, the meeting is significant in that the principle of the 'settlement' of all problems 'through dialogue in the future' was confirmed and an 'agreement' on games within the rules 'was made.'" Saying that Chairman No Tae-u's remark that 'NKDP President Yi said much and was quite gentle' can be an utterance expressing, in a word, the 'success' of the meeting," the paper states that "we will watch what wisdom the ruling and opposition authorities will pool in order to bear fruit from the atmosphere created on that day."

HANGUK ILBO in an article on page 2, also entitled "Creation of an Atmosphere for Finding a Way out of the Deadlocked Political Situation," noting the significance of the Chongwadae meeting, in that two sides "tapped the views of the other side regarding the present situation and such issues as the opening of the National Assembly, even though the meeting did not come to a clear conclusion on the pending issues," predicts that "with the meeting on that day as a start, similar meetings between party leaders can be held in succession and each political party will take its own follow-up measures." The paper emphatically says: "A meeting between the heads of the ruling and opposition parties was, indeed, promised through President Chon's acceptance of NDDP President Yi's proposal for tete-a-tete talks. This can be regarded as one of the great successes of the meeting on that day."

Noting NKDP President Yi's failure to address the question regarding amnesty and reinstatement of Kim Tae-chung at the meeting, the paper interprets this as "indicating hope that this question will be discussed separately at a later date," and views this as an indication of the "removal of an obstacle to negotiations" over the opening of the house. In conclusion, the paper says that the meeting should be regarded as a success in that it was the first official gathering to improve awkward relations between the ruling and opposition camps, and that such a high-level meeting should be expected to be held again.

Nothing the significance of the first official talks between the leaders of the ruling and opposition parties since the development of the political situation after elections for the 12th National Assembly, SEOUL SUNMUN says that "the participants' pledge to vitalize politics through dialogue heralded a smooth development of the future political situation at a time when a series of political situations, such as the emergence of the New Korea Democratic Party as the first opposition party, and the fall of the Democratic Korea Party, appeared to lead to an unstable political situation by straining the political situation."

Noting President Chon's explanation of the grave situation on the Korean peninsula represented by North Korea's forward deployment of troops and his call for a stable political situation, the paper says: "Although the issues of pardon for and reinstatement of Kim Tae-chung and of the release of detainees -- the target of negotiations concerning the opening of the National Assembly -- were not discussed in a concrete manner, we can see that the grand principle of resolving problems through negotiations was confirmed in light of the fact that, while expressing hope for exclusive talks with the president following the opening of the National Assembly, NKDP President Yi Min-u asked for the quick opening of talks through the calling of floor leaders, and President Chon said that the National Assembly would open in the near future."

Predicting that the National Assembly will open in the middle of May, and that the issue of the release of detainees will be resolved by means of urging the authorities, and the issue of pardon and reinstatement by means of discussion following the opening of the National Assembly, the paper says: "There is a possibility that the National Assembly will open without an official resolution of the pending issues in light of the fact that, referring to the issue of opening the National Assembly, DJP Chairman No Tae-u said that negotiations would not be settled." The paper goes on to say: "At the meeting, President Chon once again clearly expressed the will for a single term. He said: 'In accordance with constitutional procedures, I will not serve a day more or less than the presidential term.' We can interpret this as the will of the sovereign greeting the latter half of the rule of the Fifth Republic to protect the Constitution."

Noting the NKDP president's praise of President Chon's politics through dialogue and his willingness to listen to the people's desires, the daily said in conclusion: "In short, the talks between President Chon and party leaders are a green light for vitalizing politics through dialogue and an expression of a will to undo a knot by exchanging opinions with ruling and opposition leaders at a time when he is facing difficulties in running state affairs."

#### NKDP LEADER SEEKS EXCLUSIVE MEETING WITH CHON

SK040756 Seoul SEOUL SINMUN in Korean 4 May 85 p 3

[From the "Stroll on Political Avenue" column]

[Text] At an expanded meeting of party executive members on the morning of 3 May, New Korea Democratic Party [NKDP] President Yi Min-u expressed his anger at the omission in the government announcement on the outcome of the Chongwadae talks between the president and leaders of three major political parties of the president's instant granting of an exclusive interview which he had asked for at the Chongwadae meeting.

Noting that there were many examples in the announcement that contradicted the truth in expression and interpretation of the context, he said that when he had asked the president for an interview to discuss such topics as politics and the economy as well as the future of the country, the president willingly accepted. "However, the government announcement on the Chongwadae talks did not mention it." When asked by reporters if he thinks it is possible to have an exclusive interview with the president, President Yi said: I believe it will materialize since the president willingly accepted my request. If you doubt my words, ask KNP President Yi Man-sop who was there with us at the Chongwadae talks.

In the meantime, NKDP floor leader Kim Tong-yong commented on the negotiations concerning the issue of opening the National Assembly, saying: I will meet with DJP floor leader Yi Chong-chan some time next week. Except for repeating the same words, he did not say anything more about it. Upon hearing this, NKDP deputy floor leader Pak Kwan-yong said: Judging from floor leader Kim's attitude, in that he did not say anything further on the negotiations with the ruling party, we might as well interpret this as meaning that the negotiations are near the end. He thus hinted at a settlement of the negotiations.

#### YI MIN-U BRIEFS CPD CHAIRMEN ON CHONGWADAE MEETING

SK040201 Seoul THE KOREA HERALD in English 4 May 85 p 1

[Text] Kim Tae-chung implied yesterday the opposition New Korea Democratic Party [NKDP] would agree to the convening of the 12th National Assembly if the ruling Democratic Justice Party showed a semblance of concession in inter-party negotiations.

Emerging from his luncheon meeting with Kim Yong-sam and NKDP president Yi Min-u in a Seoul hotel, Kim said the opening of the Assembly would depend on how eagerly the DJP wants to hold to a May 18 deadline for the inaugural session.

Yi held the luncheon to inform the two Kims of the results of his luncheon meeting with President Chon Tu-hwan Thursday and to discuss issues connected with the opening of the Assembly.

The term of the incumbent Assembly started April 11. However, the Assembly has failed to hold its inaugural session because rivals DJP and NKDP have wrangled over thorny political issues including the release of "prisoners of conscience," a political prisoner euphemism.

Briefing reporters on the luncheon meeting, NKDP spokesman Hong Sa-tok quoted the two Kims as saying the NKDP has maintained a stance befitting a responsible opposition party. According to Hong, both Kims said they expect that the NKDP is capable of breaking the deadlock between the rival parties by continuing to work actively toward their goals. The spokesman said Kim Tae-chung reiterated his request at the luncheon meeting that possible restoration of his civil rights be separated from interparty negotiations over the convening of the Assembly.

The two Kims, who are cochairmen of the Council for the Promotion of Democracy [CPD], exercise much influence over the policy line of the major opposition party.

#### ROK, JAPAN BEGIN OFFSHORE OIL EXPLORATION

SK041309 Seoul YONHAP in English 1215 GMT 4 May 85

[Text] Seoul, May 4 (YONHAP) -- Drilling for oil on the continental shelf between Korea and Japan began Thursday, one day behind the original schedule, the Ministry of Energy and Resources announced Saturday.

The oil-drilling project is in the eighth subzone of the seventh mining block on the continental shelf, about 450 kilometers south of Chejua, Korea's southernmost island. The subzone is part of the Korean-Japanese joint oil development area.

The drilling is expected to take about 60 days. A Japanese semi-submersible drilling rig, the "Hakuryu No. 5," has been transported to the drilling site, where it will be used in the sinking of an exploratory oil well, code-named "Nikkan 8-1X," a ministry official said.

Korea has selected Koam, U.S. oil company as its concessionaries in the project. The Japanese concessionaire is Teikoku oil co. About 12 million U.S. dollars will be spent on the oil exploration project. The joint concessionaries will share all expenses. The eight subzone drilling project is the fifth such venture within the Korean-Japanese joint oil development zone.

#### FINANCE MINISTER HOLDS COOPERATION TALKS IN RIYADH

For Riyadh SPA reportage on the visit to Saudi Arabia of South Korean Finance Minister Kim Man-che, including his arrival in Riyadh, talks with Saudi Finance and National Economy Minister Muhammad Aba al-Khayl and Saudi Industry and Electricity Minister 'Abdallah al-Zamil, and departure, see the Arabian Peninsula section of the 6 May Middle East & Africa DAILY REPORT.



U NE WIN LEAVES FOR PRC AT DENG'S INVITATION

BK040726 Rangoon Domestic Service in Burmese 0630 GMT 4 May 85

[Text] U Ne Win, chairman of the Burma Socialist Program Party [BSPP] of the Socialist Republic of the Union of Burma, accompanied by his wife, Daw Ni ni Myint, left on a special flight for the PRC this morning at 0950 at the invitation of Deng Xiaoping, chairman of the PRC's CPC Central Advisory Commission and State Council's Military Commission.

Chairman U Ne Win and his delegation were seen off at the Rangoon Airport by U San Yu, president and chairman of the Council of State, and his wife; U Aye Ko, party general secretary, and his wife; U Sein Lwin, party joint general secretary, and his wife; U Maung Maung Kha, prime minister; party Central Executive Committee members and their wives; members of the Council of State; U Tin Aung Hein, chairman of the Council of People's Justices; U Myint Maung, chairman of the Council of People's Attorneys; U Ohn Tin, chairman of the Council of People's Inspectorates, and his wife; members of the Council of Ministers; Mr Constante Ma Cruz, dean of the diplomatic corps in Burma and ambassador of the Philippines, and his wife; Mr (Ho Qian Chin), the PRC Embassy's charge d'affaires ad interim, and his wife; and military and civil officials.

Party Chairman U Ne Win is accompanied by Dr Maung Maung, member of the Party Central Executive Committee and the Council of State, and his wife; General Thura Kyaw Htin, member of the BSPP Central Executive Committee, deputy prime minister, minister of defense, and defense chief of staff, and his wife; U Lay Maung, member of the Council of People's Attorneys, and his wife; U Than H laing, secretary of the Party Central Committee Headquarters; and officials from the Office of the Party Chairman and the Ministry of Defense.

Reportage on Visit

For Beijing XINHUA coverage of the visit by U Ne Win, chairman of the Burma Socialist Program Party, to China at the invitation of Deng Xiaoping, including his arrival, talks with Deng Xiaoping and Zhao Ziyang, and the banquet given in his honor by Deng Xiaoping, see the Southeast Asia & Pacific section of the 6 May China DAILY REPORT and subsequent issues.

THOUSANDS ATTEND ANTI-INSURGENT RALLY IN PA-AN

BK301450 Rangoon Domestic Service in Burmese 1330 GMT 30 Apr 85

[Text] A mass anti-insurgent rally was held at the No 1 State High School sports field in Pa-an at 0700 on 20 April. The rally was attended by U Saw Han Thein, secretary of the Karen State regional party committee; committee members; U Min Naung, secretary of the Karen State People's Council; officials of various councils; military officials of the 44th Light Infantry Division Headquarters; U Saw Thaung Shwe, chairman of Pa-an Township party unit; unit committee members; U Mahn Saw Shwe, chairman of Pa-an Township People's Council; councillors; and over 5.000 people wielding bamboo stakes and chanting slogans.

The presiding chairman, U Saw San Thein, delivered a speech at the rally, while U Thein Lwin of No 1 Ward made a motion on denouncing the insurgents. The motion was seconded by U Min Aye Myat of No 3 Ward and U Tun Shwe Thein of No 2 ward.

The people attending the rally then unanimously passed a resolution pledging to crush the insurgents by joining hands with the people's Armed Forces until insurgent saboteurs are completely wiped out. The rally ended with the chanting of slogans.

SIHANOUK FAVORS MALAYSIAN SUGGESTION ON CAMBODIA

HK060728 Hong Kong AFP in English 0651 GMT 6 May 85

[By Pierre-Antoine Donnet]

[Text] Beijing, May 6 (AFP) -- Prince Norodom Sihanouk has said he is personally favourable to a Malaysian suggestion for talks between his Cambodian resistance coalition and the Hanoi-backed Phnom Penh government. In a telegram received by the AGENCE FRANCE-PRESSE Bureau here today, Prince Sihanouk said he was "personally very favourable" to the Malaysian proposal put forward late last month for a negotiated settlement to the six-year-old Cambodian conflict. "But I cannot officially approve the Malaysian proposal because my partners in the tripartite coalition and certain powers supporting Democratic Kampuchea are against dialogue and compromise" with Heng Samrin's government, said the former Cambodian monarch. Kuala Lumpur suggested peace talks be organized through the good offices of a third country. The idea was endorsed in principle by members of the non-communist Association of Southeast Asian Nations (ASEAN), which supports the resistance.

Chan Youran, Democratic Kampuchea's Beijing ambassador, also implicitly accepted the dialogue proposal, saying "the precise aim of all proposals from ASEAN is to force Vietnam to withdraw completely from Cambodia." The six-nation group is to make clear its official stance on Malaysian suggestion this month. The Soviet Union Thursday offered to convey the proposal to Vietnam, which fields between 150,000 and 170,000 troops in Cambodia in defence of the Phnom Penh government. Mr Chan noted at a press conference that ASEAN -- which groups Malaysia, Indonesia, Singapore, Thailand, the Philippines and Brunei -- was the main force behind U.N. resolutions demanding a Vietnamese withdrawal from Cambodia, which Hanoi invaded late in 1978.

Asian diplomats here said Prince Sihanouk, who is now in Pyongyang, would go to Kuala Lumpur late this month or early in June. The coalition leader's reference to "certain powers," supporting his grouping was aimed mainly at China, analysts here said. When he returned here from Thailand in March, Prince Sihanouk was bitterly critical of what he called Beijing's intransigence in blocking any chance of a negotiated settlement in Cambodia.

In what diplomats here saw as a gesture to show he was weary of pressure from ASEAN, China and the United States, Prince Sihanouk said on April 16 that he wanted to resign. He later changed his mind, the fourth time he had done so in four years. His tactic was aimed at persuading Beijing to enter into direct talks with Hanoi and Moscow without insisting on a withdrawal of Vietnamese troops as a precondition, the diplomats said.

Mr Chan predicted that the Cambodian conflict could last for "20 years, 30 years or 100 years," until Hanoi allowed Cambodia to regain its independence. He added that even more intensive Vietnamese attacks on the resistance were to be expected in the next dry-season offensive, which is anticipated in autumn. The last dry-season assault beginning mid-November on the bases of Prince Sihanouk's U.N.-recognised coalition along the Thai-Cambodian border was the most virulent yet. Hanoi's forces seized almost all the frontier resistance bases. Prince Sihanouk's coalition comprises his own force, the Nationalist faction of former Prime Minister Son Sann and the Pro-Beijing Khmer Rouge of Khieu Sampan, which is the group's military mainstay.



PARTY-STATE, DEFENSE DELEGATIONS LEAVE FOR MOSCOW

BK040300 Vientiane Domestic Service in Lao 1400 GMT 3 May 85

[Text] An LPDR party and state delegation led by Comrade Souphanouvong, member of the LPRP Central Committee Political Bureau, president of the Republic, and chairman of the SPC and the Lao Front for National Construction Central Committee, left Vientiane on board a special plane for Moscow, capital of the Soviet Union, on the afternoon of 3 May to attend a celebration ceremony marking the 40th anniversary of the Soviet Red Army's victory over the Hitlerite fascists and Japanese militarists. The ceremony will be held in Moscow on 9 May.

Comrade President Souphanouvong and his party were seen off at the airport by Comrade Phoum Vongvichit, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and chairman of the national commission for the celebration of the occasion; Comrade Phoun Sipaseut, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of foreign affairs; comrade members and alternate members of the party Central Committee; ministers and deputy ministers; members of the PSC Standing Committee; and a large crowd of high-ranking cadres. Comrade Vladimir Sobchenko and Comrade Nguyen Xuan, respectively ambassadors extraordinary and plenipotentiary of the USSR and the SRV to Laos, together with many high-ranking cadres of the Soviet Embassy, were also on hand to see Comrade President Souphanouvong and his party off.

On the same day, a delegation of the LPDR National Defense Ministry led by Comrade Major General Siphon Phalikhan, member of the Party Central Committee, deputy minister of national defense, and chief of the Army General Political Department, also left for Moscow to attend the celebration of the same occasion. The delegation was seen off at Wattai Airport by Comrade Major General Somsak Saisongkham, member of the party Central Committee, deputy minister of national defense, and acting chief of the General Staff Department, along with many high-ranking officers.

SALI VONGKHAMSAO DEPARTS FOR CZECHOSLOVAKIA

BK040314 Vientiane Domestic Service in Lao 1400 GMT 3 May 85

[Text] On the morning of 3 May, an LPDR party and state delegation led by Comrade Sali Vongkhamkao, secretary of the LPRP Central Committee, vice chairman of the Council of Ministers, and chairman of the State Planning Committee, left Vientiane for the CSSR to attend the celebration of the 40th anniversary of the CSSR's national day which will be held in Prague on 9 May. On hand to see the delegation off at the airport were Comrade Lieutenant General Saman Vignaket, secretary of the party Central Committee and chief of the Organizational Committee of the party Central Committee, ministers and deputy ministers, and many high-ranking cadres from various branches. Comrade Ladislav Kocsis, ambassador extraordinary and plenipotentiary of the CSSR to Laos, together with cadres of the embassy, was also on hand to see the delegation off at the airport.

'MAJOR OPERATION' LAUNCHED AGAINST SRV INTRUDERS

BK050104 Bangkok THE NATION REVIEW in English 5 May 85 p 2

[Text] Trat -- Thai marine troops backed by artillery barrage and air strikes yesterday launched a major operation to push back about 800-1,200 Vietnamese intruders who were entrenched on Thai soil here, a senior military official told THE NATION last night. Marine Corps Commander Vice Adm Prasoet Noikhamsiri said that a number of F-5e fighter-bombers were employed in the operation, which was kicked off about 6:40 am [2340 GMT 3 May].

Two companies of Thai marine troops moved in and recaptured the "first target zone" from the Vietnamese near Chamrak Village in Muang District here following an intense artillery barrage and air strikes against the Vietnamese, he said. Vice Adm Prasoet, concurrently commander of the Chanthaburi-Trat Defence Force, said that according to a report by Khmer Rouge guerrillas, at least eight Vietnamese soldiers were killed or injured in the air strike. Thai troops sustained no casualties during the first day of the operation, he added. Thai troops plan to advance towards the "second target zone," about a few kilometres from the first target zone today, according to the commander.

Khmer Rouge guerrillas are carrying out hit-and-run operations on the Kampuchean side of the border opposite Chamrak Village to harass the Vietnamese who overran their stronghold on April 22 and crossed the Thai border to occupy a vast plain at the foot of Banthat mountain. The Vietnamese have been entrenched there ever since, prompting the Thai troops to launch the push-back operation.

The Thai troops managed to seize the first target zone at about 3:50 pm yesterday, he said. He added that the Vietnamese planted numerous landmines on the flat terrain under their control to prevent Thai troops from recapturing the Thai territory. Thai troops evacuated about 300-500 Thai villagers from the border areas to a safe zone at Wat Noen Sung on May 2 to clear the way for the launching of the operation, he said.

Drive Advances

BN060059 Bangkok THE NATION REVIEW in English 6 May 85 p 1

[Text] Trat -- Thai marines yesterday continued the drive to oust some 800-1,200 Vietnamese troops entrenched in Thai territory here by pushing on to the "second target zone," a few kilometres from the initial target which was cleared of intruders over the weekend, an informed source said.

The source told THE NATION that Thai marines backed by artillery barrage and limited air strikes had advanced into the "second target zone" about a few kilometres from the first target zone, which was recaptured by the Thai troops last week. The second target zone is located in a vast plain near the foot of Banthat Mountain. He said that the report on the operation was not immediately available.

About 551 villagers from Chamrak Village in Muang District were evacuated to a safe area near Wat Noen Sung to pave the way for the launching of the operation, according to the source. The assault yesterday was part of a series in a major offensive by Thai marine troops to push back the Vietnamese troops entrenched on Thai soil after they had crossed the Thai border in hot pursuit of the Khmer Rouge guerrillas on April 22.

OFFICER SAYS CONDITIONS 'COULD LEAD TO COUP'

BK050152 Bangkok THE NATION REVIEW in English 5 May 85 p 1

[Text] A senior army official yesterday warned the Chat Thai Party against driving a wedge into the national unity when it takes the government to task during the no-confidence debate late this month. Deputy Army Chief-of-Staff Lt Gen Chawalit Yongchaiyut also said that a Cabinet reshuffle under the present circumstances would not be healthy for the country.

Lt Gen Chawalit was fielding questions after he had delivered a speech on "Internal and External Situations" to a gathering of about 100 social workers at the Ambassador Hotel. He said that the Opposition had rightly performed its duty by lodging the motion seeking a no-confidence debate against Prime Minister Prem Tinsulanon and his seven Cabinet members, most of whom are in charge of economic affairs. "That is not the question. The question is the way the Chat Thai Party will handle the no-confidence move. It is this latter that we are monitoring with concern," he said.

Chawalit said that the Chat Thai Party should not handle the grilling session in such a way that the unity of the nation would be damaged. "The no-confidence debate should be constructive and should strengthen unity. I don't think the poor people want to hear rhetoric from politicians but instead they want the Opposition to point out the flaws in the administration as well as solutions that will kindle their hopes for a better life," said the senior army official, known to be the premier's confidant.

However, he said he was not implying that the Chat Thai Party would exploit the no-confidence debate to cause rift within the country. "Many Chat Thai members whom I know are very nice and are gentlemen," he said.

Chawalit said he perceived no conditions conducive to a House dissolution in the foreseeable future. "Normally, a House dissolution will be opted for when there is a need to hold general elections ahead of schedule or to jack up support for the government during a crisis. But I don't see any reason to justify such a move now," he said. He said that since the change in the political system from absolute monarchy to constitutional monarchy more than 50 years ago, chaos in Parliament has emerged time and again, so often that it has become a matter of routine. However, he warned of the possibility of a coup d'etat. "The possibility cannot be ruled out because people now feel uneasy with the present living conditions," he said.

He added that the controversial special decree banning unauthorized money market activities which was approved by Parliament last week was among the issues that had caused dissension among the people. But he said the government had no choice but to take drastic action to prevent more people from being victimized by the illegal chit fund pools.



"There are objective conditions that could lead to a coup, but then whether it will be staged or not, depends upon subjective assessment," he said. Asked about the possibility of a Cabinet reshuffle, Lt Gen Chawalit said: "A Cabinet reshuffle is inevitable, but now is not the right time for that. A Cabinet reshuffle under the present circumstances would only backfire." He refused to spell it out.

#### Claim Dismissed

BK060113 Bangkok BANGKOK POST in English 6 May 85 p 3

[Text] Senior Army officers yesterday dismissed claims that the "oil share crisis" was a possible excuse for certain military personnel to overthrow the Government. The denial followed a statement by Assistant Army Chief of Staff Lt-Gen Chawalit Yongchaiyut on Saturday [4 May] that the problem in the money pool business was a worrisome factor which could be used as an excuse for a coup d'etat.

Lt-Gen Chawalit's reported concern, however, was dismissed yesterday by Deputy Army Commander-in-Chief Gen Thienchai Sirisamphan. The oil share crisis was a personal problem for those who invested in the money pools, and it was unlikely and illogical for anyone to use it as an excuse to overthrow the government, he said.

The General admitted that several soldiers had invested in the lucrative business but that "they had been warned time and again of the possibility of losing their money in the operation." Gen Thienchai said that the Government had "tried its best" to prevent oil share investors from being cheated. "If anybody used the oil share problem as an excuse to stage a coup d'etat, they would be a laughing stock," he said.

Assistant Army Commander-in-Chief Gen Mana Rattanakoset agreed with Gen Thienchai's view. Anyone who used the oil share crisis to take over power from the Government would still not be able to stop the oil share business from collapsing, he said.

#### REBEL CAMP SEIZED; COUNTERATTACK REPELLED

BK060209 Bangkok BANGKOK POST in English 6 May 85 p 3

[Text] Betong, Yala -- Communist Party of Malaya (CPM) guerrillas yesterday attacked Army-trained rangers guarding a CPM base seized by government forces on Saturday [4 May] a southern military official said. Chief of Staff of the Civilian-Police-Military 43 force, Col Sunthon Winitchaikun said that an unknown number of CPM rebels tried several times to retake the base. They were repelled by the rangers with help from helicopter gunships. The newly captured CPM base -- about 20 shacks, a canteen, and a kitchen -- is in a mountain range adjoining the Thai-Malaysian border about 50 kilometres from Betong.

Col Sunthon said that the rangers and a military engineering unit were on a search and destroy mission and had clashed with guerrillas near a hot spring before capturing the CPM base.

Meanwhile, the Civilian-Military-Police 43 force reported that about 15 bandits under the command of Kubae Sangae of the Barisan Revolusi Nasional ambushed about 32 policemen on patrol early Saturday morning at Ban Kubi, Tambon Kia, in Sukhirin District, Narathiwat. Two bandits were killed in the clash, which lasted about 15 minutes.

27 APR-3 MAY SRV-PRC BORDER CLASHES REPORTED

OW031538 Hanoi VNA in English 1529 GMT 3 May 85

[Text] Hanoi VNA May 3 -- From April 27 to May 3, Chinese troops fired 12,000 artillery shells at the areas of the Thanh Thuy cross-roads, Pahan, Na Cay, and Phong Quang, Hills 468, 673, 812 and 1100, the southeastern part of Hill 233 and Height 300 (in Vi Xuyen District, Ha Tuyen Province). They also fired 100 artillery shells at Thang Tin Village, (Hoang Su Phi District, Ha Tuyen) in the same period.

A number of Chinese Infantry units carried out land-grabbing attacks and many groups of Chinese scouts intruded into the areas of Ha Iau village (Tien Yen District, Quang Ninh), Van Lang and Dinh Lap Districts (Lang Son), Ta Ngai Cho village (Muong Khuong, Hoang Lien Son) and Vi Xuyen District (Ha Tuyen). At 04:40 hours on April 30, a Chinese Infantry company infiltrated into an area southeast of Hill 685 but was promptly intercepted by the local Vietnamese Armed Forces and people, losing 25 men. At 18:00 hrs on May 1, two Chinese Infantry platoons intruded into an area 1.5 kilometres north of the Thanh Thuy bridge, but the local Vietnamese forces put six of them out of action.

All told, the local armed forces and people of the northern border provinces of Ha Tuyen, Lang Son, Quang Ninh and Hoang Lien Son killed or captured nearly 100 Chinese intruders.

## AFP Report

HK040824 Hong Kong AFP in English 0650 GMT 4 May 85

[Text] Hanoi, May (AFP) -- Vietnamese troops have killed or captured nearly 100 Chinese soldiers who crossed the border into Vietnam in the past week, the VIETNAM NEWS AGENCY (VNA) said today. China also fired 12,000 shells on the Vi Xuyen District and another area of the border province of Ha Tuyen in the week ended yesterday, VNA said. It gave no details of Vietnamese casualties or damage.

Two Chinese Infantry units and commandos infiltrated six border districts in the Provinces of Quang Ninh, Lang Son, Hoang Lien Son and Ha Tuyen in the same week, the agency added. China and Vietnam regularly accuse each other of violating their common border.

STATION EDITOR ON IMPROVING RELATIONS WITH PRC

BK031200 Hanoi Domestic Service in Vietnamese 1400 GMT 2 May 85

[From the feature: "Heighten Vigilance for National Defense" presented by Station Editor Vu Dinh Vinh]

[Text] Dear comrades and friends: In his speech delivered at the ceremony marking the 10th anniversary of the complete victory of the anti-U.S. resistance for national defense, Comrade Le Duan, general secretary of the CPV Central Committee, said: In the last 10 years, our people have carried out a difficult and complicated struggle, recording new exploits and new successes. Not long after we set about building socialism, our people had to take up arms against an invasion by the expansionists and their lack-eyes, and have defeated two wars provoked by them at the southwestern and northern borders, thus firmly safeguarding the revolutionary gains. At the same time, we have fulfilled our obligation of helping the Lao people smash the genocidal Pol Pot regime, and track down the remnants of the Khmer reactionaries in order to rebuild their country and bring their nation back to life.

These great successes have dealt an initial defeat to the schemes of the Chinese ruling circles. The latter, however, have not yet reconciled themselves to defeat.

Comrade Le Duan stressed: Expansionism and hegemonism are a long-term danger to our country. Our people must remain vigilant at all times, every hour and minute. As long as the aggressive forces do not abandon their dark schemes, our people will have to increase national defense capabilities, stand ready to fight to firmly defend our motherland's borders, and fulfill our obligation to our two fraternal neighboring countries.

In reality, the current border situation of the Indochinese countries requires our Army and people as well as the Armies and people of Laos and Cambodia to continue to heighten vigilance against provocative and sabotage activities of the Chinese ruling circles in collusion with U.S. imperialism and other reactionary forces.

In late April, the Army and people in our country's northern border provinces, with their high vigilance in punishing the Chinese aggressors, succeeded in annihilating or capturing more than 140 enemy soldiers.

Carrying on their provocative activities to maintain constant tension at the Vietnamese-Chinese border, in late April Chinese troops fired 15,000 artillery rounds into Vi Xuyen and Quan Ba Districts of Ha Tuyen Province. Most seriously hit was the Vi Xuyen area where in only 1 week, Chinese troops fired 14,500 artillery rounds into those localities on which they have frequently conducted fierce fire attacks such as Lang Lo, Lang Pinh, Pa Han, the Than Thuy three-way road injunction, Suoi Cut, and Phong Quang, the farthest of which is 15 km from the border. It can be said that in the above area, not a single minute went by without enemy shots being heard. The enemy's crimes have continued to be reflected through their barbarous acts of firing at local civilians and residential areas, thus inflicting heavy losses in human lives and property on our compatriots. It is noteworthy that they also sent a battalion -- which split itself into two attacking spearheads -- to conduct land-grabbing operations at an unnamed hill, 1.5 km north of the Thanh Thuy bridge. The enemy troops were repulsed in this battle. The Army and people of Vi Xuyen killed 30 enemy soldiers and firmly defended their battle grounds.

Along the Lao-Thai border, in the area of the three Lao villages of Mai, Klang, and Savang in Paklai District, Sayaboury Province, where public opinion has been highly concerned over the hostile activities of the Thai side, in April the Thai side continued to escalate their activities by conducting fierce artillery shellings and sending troops to intrude into the area. On 22 April Thai troops further intensified their activities by firing many salvos of artillery rounds and having many groups of infantrymen frenziedly attack the three villages and their nearby areas, killing, or wounding a number of Lao civilians and creating tension in the area.

In collusion with Chinese expansionism-hegemonism, the Thai authorities are also lending a helping hand to the Pol Pot army remnants and other Khmer reactionary groups so they can carry out their sabotage activities against the PRK. Every week the Cambodian news agency SPK releases a news roundup reflecting the developments at the Cambodian-Thai border with specific mention of the time and locations of countless violations of Cambodian territory by Thai aircraft, warships, and artillery units in an area of hundreds of kilometers long from Koh Kong to Prea Vihear.



All these activities are part of the attempt of Chinese expansionism-hegemonism -- acting hand in glove with U.S. imperialism and other reactionary forces -- to oppose the three Indochinese countries, create tension and undermine peace and stability in Southeast Asia, and check the growing trend toward dialogue in the region.

The people of Vietnam and other Indochinese countries have always wished to live in peace, independence, and freedom. We persistently advocate holding dialogue in a good-will manner between the various countries and parties involved in Southeast Asia in order to jointly settle various problems on the basis of respect for each other's fundamental national rights and of noninterference from outside and to build Southeast Asia into a zone of peace, stability, friendship, and cooperation.

Our people also treasure our friendship with the Chinese people. Our country is ready to normalize relations with China and will persist in struggling in this direction. However, we are also determined to counter all the acts of land-grabbing war and multifaceted war of sabotage now being carried out by the Beijing ruling circles against our country.

The victory scored by the Vietnamese people 10 years ago and the victory scored by the Soviet Union over fascism 40 years ago continue to be fresh deterrent lessons to potential warmakers. U.S. President Reagan, in an attempt to forget the wounds and the serious consequences suffered by the United States in Vietnam, is trying to restore the pre-Vietnam era reputation of the United States of America. The recent decision by the Reagan administration to give \$5 million to the Khmer reactionaries and \$14 million to the Nicaraguan counterrevolutionaries shows that the United States has not yet given up its policy of involvement and interference, an outdated and self-defeating practice. They are also intensively carrying out their Asia-Pacific strategy, the major purposes of which are to intensify military collusion with Japan and China and intensively develop, strengthen, and maintain their most dangerous military presence in the region.

Along with other people in Asia and the Pacific, our people must be alert and vigilant in watching the multilateral collusion between warlike, expansionist, and militarist forces. They are hatching many dark schemes in this vast region. Although fascism has been buried, those who are attempting to follow the ruts of the overturned chariot remain stubborn. However, the strength of our time is sufficient to check and foil all the warmongers' fanatic and adventurous maneuvers.

#### COMMENTARY RAPS TRADE EMBARGO ON NICARAGUA

BK041614 Hanoi Domestic Service in Vietnamese 1300 GMT 3 May 85

[Station commentary: "Reagan's Vile Act Against Nicaragua"]

[Text] On 30 April, U.S. President Reagan announced a ban on all trade relations with Nicaragua, including a ban on air traffic, denying access to U.S. ports by all Nicaraguan ships, and abrogating the 1958 friendship agreement between the two countries. The Reagan administration has also prevented Nicaragua from borrowing \$58 million from the Inter-American Development Bank.

It is crystal clear that the Reagan administration is carrying out an economic blockade to stifle Nicaragua. The trade embargo against Nicaragua was announced immediately after the U.S. Congress rejected the White House proposal for another \$14 million for the Nicaraguan rebels in exile, and after the Nicaraguan Government had totally rejected the U.S. President's 4 April ultimatum compelling the Sandinist government to hold talks with the exiled rebels who oppose their own country.

This is another step by Reagan in a series of hostile acts against Nicaragua. In other words, it is the bitter and mean retaliation of a losing gambler. This truth refutes the groundless allegations of the U.S. State Department--when it justified the trade embargo against Nicaragua -- that this embargo results from the accumulated effect of measures recently taken by Nicaragua to intensify military relations with the Soviet bloc and to export the revolution.

The Reagan administration seems to be irritated by the recent visit of President Daniel Ortega to the Soviet Union during which Soviet leader Gorbachev pledged to continually support the just cause of the Nicaraguan Government and people. The Reagan administration has a truly bizarre ambition -- that Nicaragua, the victim of threats of aggression, should be a sitting duck and not take any measures for self-defense. Meanwhile, the United States is given a free rein to do what it wants.

Reagan's trade embargo order was immediately opposed by public opinion in the United States. Senator McCarthy, chairman of the Senate Appropriations Committee said: We have slammed the door on the possibility of peace. Other U.S. senators think that Reagan's action will only force the Sandinist government to oppose the United States more resolutely.

Meanwhile, the American people of all strata have stepped up their struggle movement to protest Reagan's warlike policy, especially the military intervention in Nicaragua. In the last week of April, some 150,000 people demonstrated in six major cities. In Washington alone, on 24 April, 75,000 people, mostly students, demonstrated carrying placards demanding the United States stop its military intervention in Central America.

Political circles in Latin America have also shown their discontent at the U.S. President's trade embargo against Nicaragua. The ruling Revolutionary Democratic Party in Panama issued a statement denouncing the U.S. Government for Intervening in Nicaragua's internal affairs, thus obstructing the Contadora Group's moves for peace. It is generally believed that Washington's measures against Nicaragua will not bring about the expected results. They only further strain the tense atmosphere in Central America. These acts by Reagan will further show that the only solution to the Central American problems is through negotiations based on the Contadora proposals for peace and not through military measures and threats of aggression or intervention.

The Nicaraguan Government and people are not at all surprised by the U.S. President's new hostile act. All the worst and most evil possibilities likely to be exploited by the U.S. Administration have been envisaged and comprehensive preparations have been made to cope with them.

The young revolutionary Nicaraguan state has been facing serious ordeals. However, Nicaragua is unwavering. What the U.S. imperialists have not seen or refuse to see is the stalwart, perseverant, and indomitable spirit of the Nicaraguan people. Once again, Nicaragua has clearly manifested its will and determination by stating that Reagan's embargo will certainly not succeed. It is merely a futile effort unable to subdue Nicaragua.

CHU HUY MAN-LED GROUP LEAVES FOR USSR, CELEBRATION

OW041652 Hanoi VNA in English 1619 GMT 4 May 85

[Text] Hanoi VNA May 4 -- a Vietnamese party and government delegation led by Chu Huy Man, Political Bureau member of the Communist Party of Vietnam Central Committee and Vice-president of the State Council, left here today for the Soviet Union to attend the celebration of the 40th anniversary of the Soviet people's victory in their Great Patriotic War.

The delegation, invited by the Central Committee of the C.P.S.U. and the Presidium of the Supreme Soviet and the Council of Ministers of the U.S.S.R., was seen off by To Huu, Political Bureau member of the CPV CC and vice-chairman of the Council of Ministers; Cu Huy Can, minister in charge of culture and arts at the Office of the Council of Ministers here; Phan Dinh Vinh, deputy head of the CPV CC's International Department; Vo Van Sung, assistant to the Vietnamese foreign minister; and Soviet Ambassador B.N. Chaplin.

Military Delegation Departs

OW041758 Hanoi VNA in English 1603 GMT 4 May 85

[Text] Hanoi VNA May 4 -- A Vietnamese military delegation led by General Le Trong Tan, member of the Communist Party of Vietnam Central Committee, vice-minister of national defence and chief of the General Staff of the People's Army, left here today for the Soviet Union to attend the celebration of the 40th anniversary of the victory over fascism.

The delegation, guests of the Defence Ministry of the U.S.S.R., was seen off by General Hoang Van Thai, member of the party C.C. and vice-minister of national defence; Lieutenant-General Bui Phung, member of the party CC and vice-minister of national defence; Lieutenant-General Tran Sam, vice-minister of national defence; Lieutenant-General Nguyen The Bon, member of the party CC and deputy chief of the General Staff; and many other high ranking Army officers.

Soviet Ambassador B.N. Chaplin and Soviet Military Attache Navy Captain M.G. Parfentyev were present on the occasion.

LAO PRESIDENT STOPS IN HANOI ON WAY TO USSR

OW041833 Hanoi VNA in English 1600 GMT 4 May 85

[Text] Hanoi VNA May 4 -- A delegation of the Lao People's Democratic Republic led by Souphanouvong, Political Bureau member of the Lao People's Revolutionary Party Central Committee, president of the republic and of the People's Supreme Assembly, stopped over here Friday on its way to the Soviet Union to attend celebrations of the 40th anniversary of the victory over fascism.

The delegation was welcomed and seen off by Chu Huy Man, Political Bureau member of the Communist Party of Vietnam Central Committee and vice-president of the State Council; Cu Huy Can, minister in charge of culture and arts at the Office of the Vietnamese Council of Ministers; Phan Dinh Vinh, deputy head of the International Department of the CPV Central Committee; Vo Van Sung, assistant to the Vietnamese foreign minister; and Lao Ambassador to Vietnam Khampheun Tounalom.

The delegation was also seen off by Soviet Ambassador to Vietnam B.N. Chaplin.



CUBAN FOREIGN MINISTER CONCLUDES OFFICIAL VISIT

OW041608 Hanoi VNA in English 1552 GMT 4 May 85

[Text] Hanoi VNA May 4 -- The Cuban Foreign Minister and Mrs. Isidoro Malmierca Peoli paid an official friendship visit to Vietnam from April 27 to May 2 at the invitation of the Vietnamese Government.

Mr. Isidoro Malmierca Peoli is also a member of the Cuban Communist Party Central Committee and chairman of the Cuban section at the eighth meeting of the Cuba-Vietnam Inter-Governmental Commission for Economic, Scientific and Technical Cooperation.

Nguyen Co Thach, alternate Political Bureau member of the Communist Party of Vietnam Central Committee (C.P.V.C.C.) and foreign minister, and Vu Dinh Lieu, member of the C.P.V.C.C., Vice-chairman of the Council of Ministers and chairman of the Vietnamese section of the Vietnam-Cuba Inter-Governmental Commission for Economic, Scientific and Technical Cooperation, warmly welcomed the Cuban guests, gave a big banquet in their honour and had working sessions with them.

During his stay, the Cuban foreign minister laid a wreath at the Ho Chi Minh Mausoleum and visited the late president's residence and office in Hanoi. He was cordially received on separate occasions by Truong Chinh, Political Bureau member of the CPV CC and president of the State Council, and Pham Van Dong, Political Bureau member of the CPV CC and chairman of the Council of Ministers.

Isidoro Malmierca Peoli attended the eight meeting of the Vietnam-Cuba Inter-Governmental Commission for Economic, Scientific and Technical Cooperation held in Hanoi. He, on behalf of the Cuban Government and Vice-Chairman Vu Dinh Lieu, on behalf of the Vietnamese Government signed the minutes of the meeting. The two sides highly valued the fine results of the implementation of the tasks agreed upon at the seventh meeting of the commission in December 1983, and worked out orientations and necessary measures to further step up and broaden the cooperation between the two countries in economic, scientific and technical fields.

Foreign Ministers Isidoro Malmierca Peoli and Nguyen Co Thach held cordial talks and exchanged views on the situation of national construction and defence in their respective countries, on the regional and international situation, on the Non-aligned Movement and on the furtherance of the friendly relations and fraternal cooperation between Cuba and Vietnam. They were unanimous on all questions brought up for discussion. Isidoro Malmierca and Nguyen Co Thach also signed a plan on cooperation between the Cuban and Vietnamese foreign ministries for the 1986-90 period.

The Cuban foreign minister and his wife visited Ho Chi Minh City from April 29 to May 2, where they attended the celebration of the 10th anniversary of the Vietnamese people's complete victory in the anti-U.S. resistance war for national salvation.

DONG SI NGUYEN RECEIVES INTERSPUTNIK OFFICIAL

OW031720 Hanoi VNA in English 1542 GMT 3 May 85

[Text] Hanoi VNA May 3 -- Dong Si Nguyen, alternate Political Bureau member of the Communist Party of Vietnam Central Committee and vice-chairman of the Council of Ministers, received in Ho Chi Minh City on Thursday S.O. Kurilov, general-director of the Intersputnik and representative of the Soviet Communications Ministry, who is in the city for the inauguration of the first phase of operation of the "Lotus 2" ground satellite station being built there with Soviet assistance.

At the reception, Vice-Chairman Dong Si Nguyen highly praised the substantial development of the Intersputnik and thanked the Soviet party and government, and the Intersputnik, and the Soviet communication in particular, for their valuable assistance to Vietnam in the construction of this project.

AUSTRALIAHAYDEN URGES STRONGER TIES WITH NEW ZEALAND

BK050658 Melbourne Overseas Service in English 0430 GMT 5 May 85

[Text] The minister for foreign affairs, Mr Hayden, says that Australia should strengthen its ties with New Zealand. He said Australia should concentrate its energies on ensuring stability in the Pacific region rather than spending them on world crusades. Mr Hayden was addressing a conference organized by the Australian Fabian Society in the Victorian town of Lorne.

He said that while the United States was a superpower, Australia and New Zealand were more effective in the context of the security of the small Pacific states. The foreign minister said New Zealand's policies on nuclear shipping had given the ANZUS alliance a great shake. He hoped it would not be long before the defense arrangement between Australian, New Zealand, and the United States was once again operating normally.

A similar hope was expressed by the New Zealand high commissioner to Australia, Mr Graham Ansel. Mr Ansel told the conference that New Zealand was strengthening its economic and defense activities in the South Pacific region, and this should provide the basis for the United States to reconsider its relationship with New Zealand. However, he emphasized that any trilateral cooperation in the future would be on a more self-reliance basis as far as New Zealand was concerned.

DEFENSE MINISTER ON VALUE OF ANZUS ALLIANCE

BK040931 Melbourne Overseas Service in English 0830 GMT 4 May 85

[Text] The federal minister for defense, Mr Beazley, has made his strongest statement yet on Australia's defense capability. Mr Beazley said Australia could be self-reliant in defense 10 to 15 years from now. Stress would be put on the development of maritime strike capability and effective airpower would be based in northern Australia. Mr Beazley said Australia was defensible because of geographical advantages as any invader would have to come by sea and he said he was confident Australia would have reasonable warning of any threat.

However, Mr Beazley also emphasized the continued importance of the ANZUS alliance linking Australia, New Zealand, and the United States. He said a major threat to Australian security could only arise from or across the Southeast Asian region, but such a threat was not discernible now. The defense minister said the ANZUS alliance provided the level of assurance for the region and bolstered Australia's deterrence capacity. Mr Beazley said he believed the South Pacific island countries saw ANZUS as stabilizing and indirect support of their security.

Mr Beazley's comments were made at a meeting of the Australian Fabian Society where earlier a senior academic at the Strategic Defense Studies Center in Canberra said he believed Australia did not need ANZUS. The academic, Dr Andrew Mack, said there was no conceivable threat to Australia. However, he said Australia should continue to build a strong maritime defense force because disarmament would risk creating threats where none now existed.

Dr Mack also argued that the United States could not be relied on to come to Australia's aid in the event of a military threat. He said the failure of the United States to help the shah of Iran should be seen as a lesson for Australia.

NEW ZEALANDLANGE COMMENTS ON U.S. SANCTIONS ON NICARAGUA

HK040458 Hong Kong AFP in English 0433 GMT 4 May 85

[Text] Wellington, May 4 (AFP) -- Negotiation, not economic sanctions, should be used to try and bring about change in Nicaragua, New Zealand Prime Minister David Lange said, commenting on a U.S. decision to impose a trade boycott there.

New Zealand's Latin America Committee today urged Mr Lange "to buy Nicaraguan" because of the U.S. trade boycott, "which will wipe out a third of Nicaragua's export earnings."

Latin America Committee Secretary Rowan Taylor said Nicaragua faces unprecedented hardship without new trading partners, adding that "New Zealand is widely admired in the Third World for its courage in standing up to the United States." "It is now time to put our money where our mouth is" and buy Nicaraguan sugar, he added.

Commenting on the U.S. decision to impose a trade boycott on Nicaragua, Mr. Lange said yesterday: "I have grave reservations about the efficacy, the ultimate purpose of those (U.S.) economic measures. I think they could be counter-productive." He said New Zealand had been told of the U.S. decision to impose sanctions on the left-wing government of President Daniel Ortega, but was not asked to participate.

Mr Taylor said that the U.S. boycott was "an acknowledgement that the contra war (against Nicaragua's leftist government) has failed," and that with U.S. opinion polls showing a 70 per cent opposition to an invasion, President Ronald Reagan "has chosen to use hunger where bullets have failed."

The prime minister said: "It is not, in New Zealand's view, appropriate to use that form of economic warfare when your own (the United States') democratic process says that you may not resort to the use of arms or support of those who bear arms (against the Nicaraguan Government)." "Economic sanctions have in the past hardened the population behind what could even be an unpopular government," said Mr Lange, citing Rhodesia as an example. Its economy became more robust when sanctions were imposed, "because it adapted, adjusted and made new friends." "People treat it (economic sanctions) as an attack on their sovereign right."

Some U.S. congressmen threatened economic sanctions against New Zealand earlier this year, after Mr. Lange's Labour Government banned U.S. nuclear-capable warships from New Zealand ports. The ban has caused a continuing rift in defence co-operation with the United States.

PRIME MINISTER ANNOUNCES DEFENSE SPENDING BOOST

HK040152 Wellington Overseas Service in English 0610 GMT 3 May 85

[From the "Checkpoint" program]

[Excerpt] The prime minister, David Lange, has announced that an extra \$19 million will be spent on defense this financial year following the impact of the United States military response to the [word indistinct] ban on their Navy's ships entering New Zealand ports.



Mr Lange had earlier this week said it would be at least 10 days before any release of information, but after this morning's labor caucus he went public.

[Begin recording] [Unidentified correspondent] There was the predicted swipe at the former National government from the prime minister, who claims Labor has inherited an armed force so appallingly short of supplies that should they be called to go into combat, munitions would only last 2 days. He was also critical of the memorandum of understanding signed between the United States and National, which he claimed resulted in an almost total dependence on the U.S. for defense procurement and the reliance upon them in the most abject way, to make available to New Zealand such supplies as the Americans saw fit.

[Lange] This government has decided to get in a supply of munitions and [word indistinct] to give our equipment some chance of being convincingly armed, and we will therefore be spending on that, plus the sum of \$15 million. There will be the further expenditure of some \$3 million for extra army personnel, and the immediate extra expenditure on defense (?procurement) will be of the order of \$19 million.

[Correspondent] The prime minister made reference as well to the recent purchase of the Orions for the South Pacific surveillance. The \$29 million deal for this, which includes its electronic equipment be added to that for the avionic update [words indistinct]. The final refurbishment program will be spread over a number of years, but is estimated to cost a total of \$140 million. Mr Lange finished up by saying that as yet, the decision on the [words indistinct] facilities for the Navy had not been reached. [words indistinct] The prime minister replied that, ironically, New Zealand is almost totally dependent on the United States in our attempts to become militarily self-reliant. The government [words indistinct] both the [words indistinct] and also the Skyhawk contract has gone to an American avionics company. It seems clear that there may have been cabinet resistance to a high defense bill. What the government has announced today can really only be seen as a stopgap measure, and Labor Party activists who have been following the defense issue closely, that I've contacted today, were fairly pleased that the increase in defense spending appeared to have been small. All Labor MP's and members of the Central Public Policy Committee which made the final decision [words indistinct] expenditure had already been sent letters from party members urging a tight rein on expenditure. With important Labor regional conferences still to come, it was felt there would be severe criticism from the rank and file if defense spending rose too rapidly, but the move to big-spending defense decisions is still to be made and they won't be made until there's been much wider public debate on the future direction of the New Zealand Armed Forces. [end recording]

#### Confirms U.S., Australia Ties

BK030920 Melbourne Overseas Service in English 0830 GMT 3 May 85

[Text] The prime minister, Mr Lange, has said that his country's military links with Australia and the United States will continue. Mr Lange referred to New Zealand's military links when announcing plans for increasing his country's defense spending. New Zealand had never believed it could afford to have armed neutrality.

Plans for increased defense spending by New Zealand were drawn up after its nuclear warship ban strained the ANZUS alliance. During his defense expenditure announcement, Mr Lange said Canada could replace Australia as New Zealand's partner in the Sinai multinational force. Australia recently announced that it was withdrawing from the multinational Sinai force.

PAPER VIEWS POST-BANDUNG CLIMATE IN ASIA

BK031030 Jakarta BERITA BUANA in Indonesian 25 Apr 85 p 2

[Editorial: "Amid the Busy Meeting"]

[Text] Several important things seen from the perspective of Indonesian diplomacy in particular and the Asian political pattern in general are likely to emerge from the busy commemorative meeting of the 30th anniversary of the Asian-African Conference.

Despite the absence of any categorical statement by Indonesian Foreign Minister Mokhtar on a possible consensus by Indonesian and the PRC to normalize diplomatic relations, talks between the Indonesian foreign minister and his PRC counterpart, Wu Xueqian, are likely to take place amid the peaceful political climate surrounding the commemorative meeting of the 30th anniversary of the Asian-African Conference. Mr Wu served as vice foreign minister under a foreign minister who is a CPC figure and who was PRC ambassador in Jakarta until 1965 when relations between the PRC and Indonesia deteriorated following the September 30 Movement of the Indonesian Communist Party.

The normalization of bilateral relations between Indonesia and the PRC can be seen as a necessity for the two countries because this issue has been repeatedly raised.

ASEAN-PRC diplomatic relations are not insignificant when viewed in relation to the political strategy of ASEAN of which Indonesia is a member, because ASEAN is facing the Cambodian issue involving the occupation of that country by Vietnamese troops. Accordingly, it is understandable why Vietnam is maintaining a "low-profile" during the commemorative meeting of the 30th anniversary of the Asian-African Conference. Vietnam worried that the presence of Foreign Minister Nguyen Co Thach in Bandung could possibly cause a heated debate between him and the PRC foreign minister on peace and the 10 Principles of Bandung.

The 10 Principles of Bandung, which were proclaimed to strengthen the principle of peaceful coexistence among nations, have in fact been violated by several participating countries of the Asian-African Conference. They have launched invasions against their neighbors. The political climate in the 1980's is very different from that 30 years ago. At that time, neocolonialism was the policy of the so-called "capitalist" countries. Several communist countries have become neocolonialists in the 1980's. This has been proved in Asia by the foreign invasion and occupation of Cambodia.

DELEGATION TO DISCUSS RESUMPTION OF TRADE WITH PRC

BK021348 Kuala Lumpur Domestic Service in English 1330 GMT 2 May 85

[Text] Indonesian Chamber of Commerce and Industry, KADIN, is organizing a mission to visit China to prepare for a resumption of direct trade after a lapse of 18 years. Its chairman, Mr Sukamdani Gitosarjono, says that several members of the delegation will sign a memorandum of understanding in Hong Kong on resuming direct trade [word indistinct] and after the visit. No date has been fixed for the mission's departure.

Indonesia has agreed to reopen direct trade and not to reestablish diplomatic relations frozen after a communist-backed coup attempt in 1965.

MALAYSIACOMMENTARY ON FUTURE OF RELATIONS WITH PRC

BK301221 Kuala Lumpur International Service in English 0800 GMT 30 Apr 85

[Unattributed commentary]

[Text] The issue of relations between the People's Republic of China and Indonesia has become a major topic of interest. Malaysia, too, has its interests to a certain extent in this matter. There is no doubt that the Chinese Government used the opportunity afforded by the recent meeting of Afro-Asian nations in Bandung to open up the dormant issue of Sino-Indonesian relations. It is, of course, a positive development that China's new leaders are serious about enlarging their contacts with Southeast Asia. All that is an integral part of the well-known modernization goals. Indonesia's relations with China were frozen following the 1965 two attempts in which the Indonesians alleged China was fully implicated. In recent years contacts between the two countries were reestablished purely for bilateral trade.

The cautious posture that Indonesian leaders have been adopting towards China's eagerness to increase Sino-Indonesian ties is well appreciated by Malaysia. China has yet to come up with a categorical statement that it will not interfere in the internal affairs of Southeast Asian nations by supporting communist guerrillas in this part of the world. That is an essential prerequisite and Indonesia has every right to ask for that precondition to be honored.

The Bandung spirit and the principle of sovereignty require that a government that seeks diplomatic relations with another country should only operate on a government-to-government level in diplomacy and other contacts. In the case of China there is a peculiar policy of separating government-to-government and party-to-party relations. Malaysia had to wage a 12-year war, that is between 1940's and 1960, to eradicate communist aggression and subversion. That experience certainly causes Malaysia to be extremely wary of communist superpowers like China. However, Malaysia has adopted a pragmatic approach in that it cannot ignore the proximity of a vast country like China. It does have diplomatic and trade ties with the People's Republic of China.

Indonesia, as its leaders have pointed out recently, welcomes China's desire for closer relations but it is entirely up to the Chinese to prove their sincerity beyond reasonable doubt. The Malaysian prime minister, Dr Mahathir Mohamed, and the Malaysian foreign minister, Tengku Ahmad Rithauddeen, have pointed out on this issue recently. China should stop to continue supporting the Communist Party of Malaysia. It is no use professing goodwill and friendship without the necessary deeds to prove that goodwill and cordial intentions and other sources of irritation in dealing with China, was its tendency to adopt a rule as guardian of the ethnic Chinese in Southeast Asia although they are citizens of those different countries. [sentence as heard] This is not only gross interference in the internal affairs of other nations but can lead to tension and communal strife. The opening of diplomatic relations and the widening of contacts are not matters that can be obtained by simple demands. They can only come about through winning the confidence of the other nation concerned. China has to decide which is more important: winning the goodwill of governments or giving support to discredited guerrilla forces.



MARCOS ABOLISHES DEATH PENALTY FOR SUBVERSION

HK060018 Manila Far East Broadcasting Company in English 2300 GMT 5 May 85

[Text] President Marcos yesterday [5 May] abolished the death penalty and the 14-year imprisonment for subversion and crimes against public order. The moves were made in two presidential decrees which amended Decrees 1914 and 1835 issued on January 16, 1981. President Marcos said he issued the decrees abolishing the death penalty and the stiff prison terms to further strengthen his national reconciliation initiatives.

Aside from abolishing the death penalty, Decree 1975 also removed the penalty of loss of Philippine citizenship and forfeiture of assets of persons convicted of subversion. The presidential assistant on legal affairs said the decrees are a calibrated response by the president to the needs of the times. The preamble of the two decrees emphasized that they were issued in the spirit of reconciliation. On conspiracy to commit rebellion, the penalty was reduced from life to 10 to 12 years imprisonment and a fine of not more than 12,000 pesos.

2-DAY STRIKE PARALYZES MINDANAO ISLAND

Nine Reported Dead

HK040004 Hong Kong Domestic Service in English 1500 GMT 3 May 85

[Text] A transport strike in major cities in the southern Philippines has left at least nine people dead and paralyzed large areas of the country's second largest island of Mindanao. The 2-day strike, which began yesterday, was called to protest against worsening economic conditions and expanded military operations throughout the island, where communist and Muslim rebels operate. From Manila here's Keith Dalton:

[Begin recording] Local officials in seven cities have reported serious disruptions to commerce and transport. Many schools, factories, private businesses, and public offices have been forced to close. Thousands of strikers have formed human barricades across highways in Cagayan de Oro and Davao cities. Spikes and rocks have been scattered across roads, and barricades built of logs, uprooted trees, boulders, and abandoned vehicles.

In Iligan City, police on Thursday fired into the air to disperse strikers manning a roadblock. Two buses bound for Davao City were fired upon, and four people died. Seven more were injured.

The buses were later burned. In nearby Bukidnon Province, a logging truck loaded with stranded commuters hitching a ride ran out of control and fell into a ravine, killing three people. Early on Thursday morning, two soldiers in a jeep died when their vehicle crashed into a roadblock.

Military authorities say the left-wing National Democratic Front organized the strike as a prelude to a planned nationwide general strike. [end recording]

AFP Report

HK031542 Hong Kong AFP in English 1527 GMT 3 May 85

[Text] Davao, Philippines, May 3 (AFP) -- A civilian was killed, 11 were arrested and 23 people were reported missing today during a transport strike on Mindanao Island, strike organizers and witnesses said here.

The two-day strike which ended today, held in major cities of this southern island, was called by drivers with the support of militant groups "to heighten the political struggle to dismantle the (President Ferdinand) Marcos dictatorship."

A resident was killed in this southern Mindanao city as soldiers opened fire on a group of strike supporters marching toward the centre of town, while 23 others were missing and feared arrested by troopers, witnesses said. Government troops arrested 11 people among thousands of marchers converging toward the city proper from several starting points in support of the transport strike, they added. The Davao streets were empty today apart from protest marchers and "human barricades" set up by the strikers and factories and private offices were at a standstill as residents stayed away from work and did not try to travel.

(Meanwhile, military authorities in Cagayan de Oro in northern Mindanao said thousands of protesters marched in support of the strike in key towns and cities of northern Mindanao today and succeeded in paralyzing public transport.)

Soldiers in riot gear broke up two columns of marchers who were heading towards a central square in Davao, but there were no injuries, witnesses said.

Davao is the center of dissidence in the island, which has seen strife with the upsurge of clashes between government troops and Communist New People's Army (NPA) guerrillas. The military suspects that the strike was organized by the communist underground.

(Military authorities in neighboring provinces reported to the regional military command in Cagayan de Oro that strike supporters bodily blocked major streets in northern Mindanao towns, but allowed private vehicles to run. Colonel Roberto Lastimoso, commander of the paramilitary Constabulary in Bukidnon Province, also said unidentified gunmen yesterday ambushed military troops sent to clear roadblocks in Valencia town south of Cagayan de Oro, wounding 10 soldiers.

(Local government officials of Malaybalay town, the capital of Bukidnon, led some 1,000 demonstrators at a central square, while groups of strike supporters set up roadblocks at other points, Col. Lastimoso said. Residents from remote villages joined marchers in the towns and cities, regional Constabulary commander Colonel Benjamin Ignacio added.)

#### Strikers Claim Victory

HK040900 Hong Kong AFP in English 0818 GMT 4 May 85

[Text] Manila, May 4 (AFP) -- Organizers of a two-day transport strike in Mindanao today claimed victory for their action and invited President Ferdinand Marcos to attend a summit conference on the problems of the troubled southern major island. The Welgang Bayan (People's Strike) Thursday and Friday "was successful with a 100 percent cooperation of people from various sectors. (It) was able to paralyze all economic activities in Mindanao," strike leader Antonio Arellano said here.

The drivers' strike, supported by the new Nationalist Alliance (Bayan) group crippled all means of public transport in the key cities and towns of the rebellion-torn island. Mr. Arellano, a lawyer, told a news conference here that two people were killed in incidents related to the strike, called to "heighten the political struggle to dismantle the (President Ferdinand) Marcos dictatorship."

Heavily-armed soldiers patrolled urban centers and broke up several human barricades formed by strikers on major streets, arresting several protesters in the process, but Mr. Arellano did not say how many were injured or arrested. Military authorities say the strike was organized by the National Democratic Front (NDF), a coalition of dissident groups led by the Communist Party of the Philippines (CPP) whose New People's Army (NPA) is waging a guerrilla campaign throughout the country.

Mr Arellano, the Mindanao coordinator for Sayan, said: "We have nothing to do with the communists. We have nothing to do with the National Democratic Front. What we have is a legal struggle, a measure in civil disobedience."

Strike leaders also reiterated Bayan's invitation made last week for top government officials to attend a summit meeting Tuesday at a Roman Catholic university in Davao City, the center of dissidence in the island. They said Bayan would ask for an end to the "militarization" of Mindanao and the rest of the country during the summit. "We have invited the president and the first lady and all the cabinet members, (acting Armed Forces chief Lieutenant-General Fidel) Ramos and other M.P.'s," Mr Arellano said. He said only Alejandro Almendras, a ruling New Society Movement (KBL) party M.P. from Mindanao, had agreed to attend.

Mindanao, a large and lush agricultural area once known as the country's "land of promise" has been rocked by NPA-military clashes, a spate of political killings, and mounting economic hardships in recent years. Mr Arellano said that last year alone, there were 681 politically motivated killings in the island, 1,725 civilians suspected of being NPA supporters were arrested, and 93 people were missing after being abducted by alleged paramilitary groups.

"If this regime will not heed the demands of the people, the people will continue to heighten this form of struggle until our aspirations will be attained," he said. "We are not discounting the possibility of staging a more comprehensive Welga ng Bayan that may last for several days."

#### MARCOS NOTES MEDIA'S ROLE IN MAINTAINING PEACE

HK040017 Manila Far East Broadcasting Company in English 2300 GMT 3 May 85

[Text] President Marcos said yesterday [3 May] the media has a vital role in the maintenance of peace and stability in the nation, and those who kill journalists are the real enemies of society. The president upheld the media's role in addressing the Philippine Federation of Rural Broadcasters at Malacanang. The occasion was the oath-taking of the newly elected officers of the provincial media group.

President Marcos called on the public to support provincial broadcasters and other mediamen, whom he described as the most persuasive and effective sources of information relevant to the masses. In naming the people who kill journalists as the real enemies of society, the president cited the recent killing of provincial radio newsman and commentator Charlie Aberilla, who was shot by an unidentified gunman while airing his daily program. Eight other journalists and broadcasters have been killed during the last 2 years. The president urged the nation to band together in support of all efforts to keep peace and order and national stability.

#### DEFENSE MINISTER ON NPA MOVES, USE OF U.S. TROOPS

HK060406 Hong Kong AFP in English 0352 GMT 6 May 85

[Text] Manila, May 6 (AFP) -- Communist New People's Army (NPA) guerrillas may launch assassination attempts on government and military officials in this capital by next year, Defense Minister Juan Ponce Enrile said here today.



In a press forum here, he also implied that U.S. troops may be called in to help local troopers fight the insurgents if another "foreign element" intervened. Leaders of the communist-led National Democratic Front (NDF), which unites the NPA with other dissident groups, reportedly said recently that the NPA would be able to begin armed operations in Manila "early next year".

"It is a possibility to assume that Sparrow Units (NPA liquidation squads) would operate in the city of Manila. Whether (they would be) successful or not is anybody's guess," Mr Enrile said. "It would be surprising if they did not attempt to organize the center of the nation," he said. "If their timetable is next year, well, let us see."

The NPA, military wing of the banned Communist Party of the Philippines (CPP), mostly operates in rural areas and provincial cities, staging bold attacks in recent months in the major southern Island of Mindanao.

Mr Enrile said there were no NPA rebels in Manila at this time, but the CPP had political cadres in the area infiltrating the labor, church, and student sectors. He gave no estimate of their current number. The NPA claims 30,000 "full-time and part-time" guerrillas but is estimated by officials and diplomats here to have 12,000 to 15,000 armed regulars.

He said President Ferdinand Marcos's policy was to allow no U.S. troops to help fight the insurgents, but added that "should there be any foreign element involved, then that would be a different ball game altogether." "At that point I would not know whether the government would invoke the Mutual Defense (Treaty) or not, if it does ... then I do not know whether that invocation calls for the assistance of foreign troops," Mr Enrile said. He did not name the third power, saying "your guess is as good as mine."

The United States and the Philippines, a former American colony, are bound by a mutual defense treaty. The two largest overseas U.S. military bases, Clark Air Base and Subic Bay Naval Base, are located near Manila. A total of 5,000 U.S. and 2,000 Philippine forces are in the closing days of their annual war games on an eastern Luzon beach. The war exercise scenario includes liberating the Philippines from an occupying foreign power.

Mr Enrile last week said the NDF had been assuming a high profile in recent months in the hope of drawing foreign aid. NDF spokesmen told a news conference in April that the 16-year-old NPA could reach a balance of power with the 200,000-strong Armed Forces in three to five years. "Even if they double their present firepower now, if they have only M-16's, they cannot overthrow this country. They have to organize a conventional force with complete armies to be able to contend with the Armed Forces of the Philippines," Mr Enrile said.

#### LABOR MINISTER DISCUSSES FOREIGN AID TO REBELLION

HK050636 Hong Kong AFP in English 0429 GMT 5 May 85

[Text] Manila, May 5 (AFP) -- Foreign support could help the leftist rebellion in the Philippines reach a balance of forces with the military, Labor Minister Blas Ople was quoted today as saying. The MALAYA newspaper quoted Mr Ople as saying such aid would "abet the rise of legal, semi-legal and illegal methods now being used by the subversives" and might enable them "to strike a balance of forces with the Armed Forces of the Philippines in five years."

The minister told a press forum yesterday that external funding for the National Democratic Front (NDF), which unites the banned Communist Party of the Philippines (CPP) and its New People's Army (NPA) with seven other dissident groups, would escalate the armed rebellion in the country.

He also said it would intensify the political warfare waged by the dissidents in urban centers, the daily said. Some 12,000 NPA guerrillas are fighting the 200,000-strong Armed Forces across the country.

Last week, Defense Minister Juan Ponce Enrile also raised the possibility of foreign funding, saying NDF leaders had been in high profile in recent weeks hoping to attract a foreign country to help advance their cause. Mr. Ople cited reports as saying that NDF officials were now debating whether to accept foreign aid, but did not identify the movement's probable foreign backers, the daily said.

Mr. Ople said the detained former chairman of the CPP, Jose Maria Sison, who was "still the leading theoretician of the rebels, has rejected foreign aid to the local rebels, particularly from the Soviet Union." "Thus, there is still no agreement on the NDF policy on foreign funding," he said.

Some Philippines officials accused China of funding and arming the NPA during its initial years, but the charges were never proved and China and the Philippines established diplomatic ties in 1975. Chinese Foreign Minister Wu Xueqian pledged here last month that Beijing would keep its hands off the local rebellion.

The 16-year Philippine insurgency was initially a Maoist offshoot of the Soviet-leaning old Communist Party of the Philippines whose "huk" fighters were crushed by government forces in the 1950's.

#### NEGROS SUGAR PLANTERS CONVENTION WARNS OF UNREST

HK031622 Hong Kong AFP in English 1315 GMT 3 May 85

[Text] Bacolod, Philippines, May 3 (AFP) -- Sugar planters today joined the Roman Catholic Church in warning of possible widespread unrest in the country's sugar bowl, after layoffs of tens of thousands of sugar workers. "The insurgency problem is slowly engulfing us," Franklin Fuentebella, head of a planters' association in Negros Island, told a planters' convention here, the island's capital, called to assess the state of the industry.

More than 150,000 regular and casual sugar workers here in Negros Occidental Province have been laid off in the past two months according to official figures, following a slump in world sugar prices. This city's Roman Catholic bishop, Antonio Fortich, earlier said hunger stalked the island because of the collapse of the industry. Planters stopped producing cane after world sugar prices dipped far below local production costs of 13 to 14 cents a pound.

Meanwhile, an official of a private management firm working in the island revealed at the day-long convention that 150 of the island's farms had been "infiltrated by subversives." "Some had been visited nightly, others had teach-ins and those abandoned by their owners are converted into bases (of the Communist New People's Army (NPA)," Human Development Foundation Executive Director Celia Magsaysay said. Mrs. Magsaysay said the "infiltrated farms" included most of the bigger sugar farms in the island which are concentrated in Negros Occidental Province.

NPA guerrillas of the banned Communist Party of the Philippines (CPP) have stepped up their activities since the crisis hit this once-rich province, whose elite once ruled Philippine politics and were known for their extravagant lifestyle. Some 67 per cent of the country's annual sugar produce of 2.4 million tonnes comes from this island, whose economy is 90 per cent dependent on the crop.

"What we are experiencing today is a calamity which triggers complex social problems," Bishop Fortich told the convention today. "It now appears we have to depend ourselves to discuss and formulate remedial measures to save a dying industry for the sake of millions who depend on it," Mr. Fuentebella said.

The meeting resolved to ask President Ferdinand Marcos to direct the government to extend emergency loans and to restructure their crop loans "at a tolerable interest rate of 14 per cent." Interest rates for planters currently run as high as 36 per cent.

#### GOVERNMENT FORCES KILL THREE IN ZAMBOANGA DEL SUR

HK031523 Quezon City Maharlika Broadcasting System in English 0800 GMT 3 May 85

[Text] Three rebels, including a commander, who were caught red-handed collecting money from town residents were killed Wednesday in anti-insurgency operations by government forces. The incident happened in Zamboanga del Sur and Western Samar. The slain dissident leader was identified as Eugonsa Dandan, alias Commander Walang Katawad, who was shot dead by an Army patrol at Balagaw Diplaan, Zamboanga del Sur, while soliciting contributions for the underground movement.

#### ARMED FORCES REFORM MOVEMENT TO MEET MARCOS

HK060908 Hong Kong AFP in English 0849 GMT 6 May 85

[By Teodoro Benigno]

[Text] Manila, May 6 (AFP) -- More than 70 percent of the Philippines' military's junior officers belong to a reform movement that will soon meet with President Ferdinand Marcos, the group's self-proclaimed leader said today. Colonel Hernani Figueroa, 41, identifying himself as the chairman of the "Reform of the Armed Forces Movement," revealed to foreign pressmen the movement grouped more than 70 percent of the junior officers in the 200,000-strong military.

Col. Figueroa, who said he had served 19 years in the frontlines against communist and Moslem insurgents, said "graft and corruption" in high military echelons would be among the topics they would raise with the president. Col. Figueroa said the reformists had already met acting Armed Forces chief Lieutenant-General Fidel Ramos in a nine-hour dialogue April 20 and had seven hours of talks with Defense Minister Juan Ponce Enrile on April 24. He did not say when the meeting with Mr Marcos would take place.

Several active and retired generals have joined the group, he said, but declined to give names or figures. Junior officers range from lieutenant, captain, and major to lieutenant-colonel. Col. Figueroa stressed there was nothing clandestine about the reform movement. He said it emerged only several months ago "spontaneously and openly" with the knowledge of military staff officers.

He denied under persistent questioning that there was now a "mutiny" in the Armed Forces against the General Command Staff set up by Armed Forces Chief of Staff General Fabian Ver. Gen. Ver, on temporary leave since he was indicted as an accessory in the murder trial of opposition leader Benigno Aquino, is expected to be reinstated by the president should he be acquitted.

Col. Figueroa declined direct comment on whether the reform group agreed with President Marcos' statement that he would reinstate Gen. Ver if he were found not guilty.



"We are not concerned with personalities but with principles," said Col. Figueroa, who identified himself as an intelligence officer currently assigned to the office of Defense Minister Enrile.

He said that besides "graft and corruption" in the military, the reform group was also a alleged military abuses and excesses, and "rank favoritism" in promotions and appointments. He declined to go into details on what the movement would discuss with President Marcos, beyond saying: "The dialogue is for everybody's good particularly in the continuing fight against the communist New People's Army (NPA)."

He said that morale and discipline in the Armed Forces had deteriorated to such an extent that a general in the south was roundly booed by his men during a recent meeting in Cagayan de Oro City. On "military graft and corruption," he would only admit that some top-ranking officers might be involved in dubious deals linked with customs, immigration, and trade, largely in the south.

Col. Figueroa told newsmen that so far, Acting Armed Forces Chief of Staff Gen. Ramos was doing a good job by seeking to "professionalize" the military and even jailing a number of military offenders.

#### POLITICAL ALLIANCE TO CONTINUE 'PRESSURE POLITICS'

HK040930 Hong Kong AFP in English 0850 GMT 4 May 85

[By Roberto Coloma]

[Text] Manila, May 4 (AFP) -- Former poll boycotters in the Philippine opposition today said they would join the electoral battle against the government of President Ferdinand Marcos but would not abandon "pressure politics." Led by militant groups seeking to remove the U.S. bases in the Philippines and to end the "U.S.-Marcos dictatorship," they formed the new Nationalist Alliance (Bayan) to serve as the base of a planned new political party.

Some 1,000 delegates were attending Bayan's founding congress this weekend at the Roman Catholic Ateneo University's campus in Quezon City near Manila. A declaration said the alliance would form a party "if to do so would advance the cause of the people," and already has a name -- the People's Party. Bayan's member groups boycotted the 1981 presidential poll and the 1984 general elections.

Sources among Bayan organizers said the group had yet to make a definite stand on the possibility of a snap presidential poll this year, which the moderates consider a probability.

The founding of Bayan, led by former Senators Jose Diokno, 63, and Lorenzo Tanada, 85, came two weeks after two major moderate opposition blocs announced that they would forge an alliance, also to prepare for elections. Mr. Diokno said Bayan, whose member groups have been behind some of the biggest local protests in recent years, would continue using the "parliament of the streets" side by side with participation in the polls.

The next elections, set for May 1986, will be for local government posts in the country's 73 provinces and 1,500 cities and towns. The presidential poll is scheduled to be held when Mr. Marcos's current term expires in 1987. Bayan's member organizations had boycotted the 1981 presidential elections with the moderate opposition as well as the 1984 National Assembly polls, in which the moderates surprisingly won a third of the 183 seats contested.

Mr. Tanada, the "grand old man" of the Philippine opposition and a key Bayan founder, said in a keynote address today that the alliance would commit itself "to a new type of politics."

"Elections will not be ignored but they will not be the center of our activities. We will participate in them to project issues and programs unto the consciousness of the electorate," Mr. Tanada said.

He also reiterated the Bayan member groups' demand for the removal of the two strategic U.S. bases in the Philippines.

He said that the Philippines could demand the abrogation of the bases agreement due to the "now established fact" that Clark Air Base and Subic Bay Naval Base near Manila contain nuclear weapons and serve nuclear-capable planes and ships.

He said the bases made the Philippines a "legitimate target" for Soviet nuclear attack in case of a U.S.-Soviet war.

Bayan's member groups represent militant workers, students, teachers and professionals. Its transitory officers include Mr. Diokno, Mr. Tanada, and Butz Aquino, brother of slain opposition leader Benigno Aquino. The permanent officers are to be elected Tomorrow.

In his own keynote address, Mr. Diokno said the country has four major problems which Bayan sought to solve -- "food and freedom, jobs and justice" -- and that the 20-year-old Marcos regime must be removed as soon as possible.

Bayan sources said the new party would exercise "selective participation" and would, probably contest the polls in the southern Island of Mindanao, the central Islands of Cebu, Samar and Negros, and extreme northern, central and southern Luzon, the main island.

The leftist underground is strong in these areas. Leaders of the communist-led National Democratic Front (NDF) announced in early April that they would back certain candidates in the countryside in 1986 polls.

Mr. Diokno told reporters last month that Bayan had no link whatsoever with the leftist underground, but agreed that some of its members may be in touch with the left in their individual capacities.

#### INTERNATIONAL RESERVES DROP 'SHARPLY' IN FEBRUARY

HK021438 Manila BUSINESS DAY in English 2 May 85 p 1

[Text] The country's international reserves dropped sharply to \$681 million in February from \$901 million the month before, Central Bank [CB] data showed. BUSINESS DAY sources in the CB attributed the decrease to increased payments for interest arrears on the country's foreign debt which fell due to the end of 1984 and to the decline in export receipts during that month. The CB, however, was apparently expecting the decline in international reserves. A CB Treasury report to the CB governor Jose B. Fernandez Jr in March estimated that the reserves will drop to \$600 million by April and will remain at that level until May. The continuous drop in the country's international reserves means the \$925-million new money and the \$3-billion revolving trade facility to be extended by the country's bank creditors as well as the release of the second tranche (amounting to about \$83 million) of the International Monetary Fund's (IMF) standby credit facility are now crucial to the success of the Philippine's economic adjustment program.

**END OF**

**FICHE**

**DATE FILMED**

MAY 7 1985



